# Improving cooperation in multi-actor business from freelancers’ perspective

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**Laurea University of Applied Sciences** **Abstract**
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This thesis is a qualitative case study on how to improve cooperation in multi-actor business from freelancers' perspective. The thesis is based on theories in service management and marketing, viewed through a service-dominant logic (S-D logic) lens. The S-D logic is used to help understand the context of a multi-actor business and the complex environment of it. The case company is a Finnish marketing and communications company, that uses multiple self-employed entrepreneurs including freelancers. The business of the case company is dependent on different actors and networks, which makes the business complex and challenging.

The empirical development project follows the principles of service design. In this thesis the double diamond service design process model was used. The research includes qualitative research methods, such as observing, interviewing, secondary data and own experience analyzing. In addition, during the research, a co-creation workshop was held, where the participants (different actors) co-created a service blueprint and afterwards gave their improvement ideas, by using a brainwriting tactic. All of these service design methods were used to get a comprehensive and holistic view of the current state and to find new improvement ideas.

Some of the key findings were, that the planning phase and scheduling of a project are the most crucial parts when working in a multi-actor business. The projects need to be well planned and discussed thoroughly with all the actors involved in it to avoid misunderstandings that cause unexpected costs and other unintended results. Communication and equality were the two most popular development areas, that rose from the discussions, also the importance of community was discussed especially from the freelancers and self-employed entrepreneurs side.

At the moment, the topic of this thesis is clearly "a hot potato", among other structural changes of working life. A guide leaflet of working in a multi-actor business, could be designed based on the findings of this research. Also, a service blueprint on how the desired process could go, could be designed for new multi-actor companies. Further research needs to be done, to see the direction where the future way of working is going.

**Keywords: Co-creation, cooperation, freelancer, multi-actor business, networks**

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**Monitoimijabisneksen yhteistyön parantaminen freelancereiden näkökulmasta katsottuna**

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Tämä opinnäytetyö on laadullinen tapaustutkimus siitä, kuinka eri toimijoiden yhteistyötä voisi parantaa monitoimijabisneksessä freelancereiden näkökulmasta katsottuna. Työn teoreettinen viitekehys perustuu palvelumarkkinointiin sekä palveluhallintaan palvelukeskeisen logiikan läpi katsottuna. Palvelukeskeisen logiikan tehtävänä on auttaa ymmärtämään monitoimijabisneksen sisin ja sen kompleksisuus. Tapaustutkimus tehtiin suomalaisessa markkinointi- ja viestintäyrityksessä, jonka toiminta pohjautuu monitoimijabisnekseen. Yritys on täysin riippuvainen sen erilaisista toimijoista mm. freelancereistä ja verkostoista, mikä tekee toiminnasta kompleksisempaa ja haastavampaa.

Työn empiirinen osa seuraa palvelumuotoilun perusteita ja se on suunniteltu Double Diamond –prosessin mukaisesti. Tutkimusaineistoa kerättiin palvelumuotoilun menetelmiä hyödyntäen, jotta saataisiin mahdollisimman kokonaisvaltainen käsitys vallitsevasta tilasta. Menetelminä käytettiin havainnointia, haastatteluja, toissijaista tietoa, omaa kokemusta, sekä lopuksi järjestettiin yhteistyö-työpaja, jossa eri toimijat pääsivät tekemään yhdessä service blueprint –palveluprosessikaavion. Työpaja päättyi esille nousseiden kehityskohteiden ideointiin, joka toteutettiin brainwriting –menetelmää käyttäen.

Opinnäytetyön tutkimuksen tuloksena selvisi, että suunnittelu ja aikataulutus ovat onnistuneen monitoimijabisneksen toiminnan kulmakivet. Välttääkseen väärinymmärryksiä ja turhia kuluja asioista tulee kommunikoida avoimesti ja projektit tulee suunnitella huolellisesti. Myös eri toimijoiden tasapuolinen kohtelu ja yhteisöllisyyden tärkeys nousivat esiin haastatteluissa ja työpajassa.

Tällä hetkellä työn tekemisen tavat ovat muutoksessa ja työn uudet muodot puhuttuvat suuresti. Monitoimijabisnekset yleistyvät ja siksi, tämän työn löydöksien pohjalta voitaisiin suunnitella opas monitoimijabisneksen avuksi. Oppaan lisäksi voitaisiin tuottaa tavoitteellinen service blueprint –palveluprosessikaavio hahmottamaan toimintaa. Lisätutkimusta tulisi tehdä, jotta nähtäisiin mihin suuntaan tulevaisuuden työn muutokset ovat menossa.

**Avainsanat: freelancer, monitoimijabisnes, verkostot, yhteistyö, yhteiskehittäminen**

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# 1 Introduction

The amount of self-employed persons has been increasing in the past ten years in new business areas and they are partly substituting the workplaces of full-time employees, as companies are using them in different projects (Pentikäinen, 2014; Pärnänen & Sutela, 2014). Some of the self-employed persons have been forced by the current work situation to become entrepreneurs, because simply there is no other way to work (Pentikäinen 2014, 70-71).

With the term self-employed person is meant person working for one-self as a freelance or the owner of a business, rather than for an employer (Oxford Dictionary of Current English). In this thesis the author chose to use the word freelancer, as it is more often used and easily understood. In specific, freelancer is self-employed and hired to work for different companies on particular tasks and quite often even for several companies at the same time. A freelancer earns one's living as a freelance. According to Jääskeläinen (2015, 231) freelancers are often the better part of their industry ("unprofessional" freelancers can not survive, no one hires them in long term), which makes it easy and efficient for companies to use them especially during the high peaks of business seasons.

This thesis is about improving cooperation in multi-actor business from freelancers' perspective. The author of the thesis is a marketing freelancer, who has experienced the challenges of freelancing herself and decided to research the possible improvement points of cooperation of different actors in multi-actor business. The structural change in Finnish population, rapid development of technology and globalization has taken the competition of working life into a new level (Pentikäinen 2014, 9). Finding a common understanding, setting mutual values and goals between the different actors working together in the business networks is crucial in multi-actor business (Pentikäinen 2014, 96-97).

Multi-actor companies, such as the case company of this thesis, are also increasing. With the word multi-actor business is meant companies, that employ multiple different actors instead of employing only their own companies full-time and own part-time employees. In this thesis actors are thought as self-employed entrepreneurs, other subcontracters, suppliers, partners, full-time or part-time employees, or whoever involved with the business. This thesis seeks out why the situation is how it is and is there anyways to improve the current cooperation, between the case company and freelancers.

## 1.1 Background of the thesis

The structural changes in working life and labor market are shaping the way of working in Finland. Full-time working is still the dominant shape of working, but self-employed entrepreneurs, freelancers and elancers (elancer is a freelancer working via the Internet) are becoming more common. The changes can be seen at workplaces, in the way of how work is organized (Pentikäinen, 2014). Kilpi (2016, 24) claims, that “the problem we face today does not lie in the capabilities of humans, but in the outdated and limiting conceptualization of work. Work as we know it is mainly designed for machines, for robots, not for human beings.” Kilpi (2016) continues, that unlike mechanical systems, humans have the ability to creative learning and that is something that should be emphasized. He adds, that the experience of work is swifting from the industrial to an entrepreneurial experience.

The Finnish Ministry of Employment and Economy commissioned a report of the future employment in Finland in autumn 2014. According to the report, new business models need to be developed and entrepreneurship should be made much easier to start. Students and unemployed people are even attracted to entrepreneurship. The report is compiled by several different professional facets, such as Research Institute of the Finnish Economy (ETLA), Labour Institute for Economic Research (Palkansaajien tutkimuslaitos), Aalto University, the Finnish Funding Agency for Technology and Innovation (Tekes), Owal Group Oy and many others. (Pentikäinen 2014.)

Based on the Statistics Finland (2015) within the past three years the amount of employees has been reduced at every fourth person’s workplace. As companies are reducing the number of their employees, the employees need to consider other possibilities to continue their work. At the same time the amount of self-employed entrepreneurs, freelancers and internet based freelancers called elancers has been increasing (Pentikäinen 2014). Also the Europe 2020 strategy (EU’s growth strategy for the coming decade) has recognized that the key for achieving smart, sustainable and inclusive growth in economy could be possible by increasing entrepreneurship and self-employment. One objective of the Europe 2020 strategy (European Commission website, 09.01.2016) is: “to get Europe growing again and to increase the number of jobs without creating new debt.”

Pärnänen & Sutela (2014) from Statistics Finland did a survey of the self-employed people in Finland. The survey was done, because the amount of self-employed persons employing themselves in different ways has been increasing steadily over the past ten years. Pärnänen, Senior Researcher from Statistics Finland (Statistics Finland 2013), says: “At the moment, there are about 154,000 self-employed people aged 15 to 64 in Finland. However, very little is known about the employment situation or working conditions of this group.” Thus this thesis seeks out more information of self-employed people and their working conditions. It is easy to courage people to start their own businesses, but in the end entrepreneurship is not for everyone or is it?

The author of this thesis sees the trend clear and has the courage to say; different forms of entrepreneurships are increasing and companies are partly substituting their full-time employees with self-employed entrepreneurs. Different kinds of networks and ecosystems are becoming more popular and important in new business areas. Multi-actor companies, such as the case company of this thesis, are also increasing. The structural changes of workinglife are shaping the whole employment industry. This thesis concentrates in freelancers and their situation in multi-actor businesses.

Pärnänen & Sutela (2014) have listed three main reasons why there has been an increase in self-employed group of people: 1. involuntary entrepreneurship (the only way to work is entrepreneurship but the person would rather work as a full-time worker), 2. outsourced as an entrepreneur (the person's workplace has been replaced by the work bought from an entrepreneur) and 3. ostensible entrepreneur (the person works as an in-house contractor for the company).

When a company uses a freelancer, it is not obligated to continue the cooperation as it is with a full-time or part-time employee. This being said, it is clear that a freelancer is usually a safe choice for the company, when they are in need of additional workforce, but are not willing to hire new employees. In this situation, the company also saves the legal employee costs, that are fixed costs for the company and instead pay only variable costs for the freelancer (Pärnänen & Sutela 2014, 131). Win-win situation for the company and the freelancer, or not?

Also different newspapers and magazines are writing about the structural changes of working life and discussing, whether it is a good thing or not. This phenomenon can also be seen in business areas, where there has not been so many self-employed entrepreneurs before, for instance marketing and communications companies. Jani Virtanen (21/2015), the founder of Hopper Advisors Oy, writes in his column about the same structural changes and points out an example: in the year 2015 the world's biggest cab company Uber did not pay salary for any of its drivers, nor own any cars. The drivers of Uber, are self-employed persons (invoicing Uber) driving with their own cars. In this case, Uber provides only the platform and business network for the drivers, and do not need to worry about the legal employee costs, nor the contracts. The situation is the same with Airbnb, which provides only a platform for their business, which is lodging. There are also already some platforms for self-employed persons working within marketing, such as: Upwork (www.upwork.com), Toptal (www.toptal.com), Elance (www.elance.com) and Craigslist (www.craigslist.org). Is this the way the working life is developing? Does the future of work consist of different platforms of communities and networks, where people offer their services? Are people ready to take more responsibility of their own work? How can it be ensured, that the big companies using small self-employed people are treating them with respect, honesty and loyalty? Or does it even matter anymore?

Globalization and the development of technology has enabled these new kind of platform businesses to function. At the same time traditional businesses are forced to consider new ways of working to keep up in the competition.

Prahalad and Ramaswamy (2004) have been writing about nodal companies, experience networks and symbiotic ecosystems already ten years ago. They encourage company leaders to move into the new “zones of opportunity” and recognize the limitations of their “zones of comfort.” They believe that nodal companies, experience networks and symbiotic ecosystems are the key elements for companies’ new strategic capital. According to Prahalad & Ramaswamy (2004, 95) nodal companies are firms that contribute intellectual leadership, build coalitions, and forge pathways for products, information, and expertise. Nodal companies are part of networks that are part of ecosystems. This might sound complex but in the end all companies are already part of an ecosystem or network either recognizing it or not. Also Lusch and Vargo (2015) and Gummesson & Polese (2009) talk about the importance of networks. Multi-actor business can be also thought as onekind of a network where different actors exchange services. All of these terms are part of this thesis and will be used and explained in detail in next couple of chapters.

To become succesfull in multi-actor business, the service process needs constant improving in cooperation with all the actors involved with it. Therefore this thesis questions: Could co-creation and co-design be the tools for improving the service process? How to create value in multi-actor business for all of the actors involved with it? This thesis aims to create better understanding between the different actors, find new perspectives and develop the exsisting way of working in a multi-actor business.

## 1.2 Objective of the thesis

The objective of this thesis, is to improve cooperation in multi-actor business from freelancers’ perspective. In other words, to improve the current situation holistically, but taking the freelancers’ perspective. The case company is a Finnish marketing and communications company, employing multiple different actors within their projects. The company is dependent on freelancers and other suppliers/subcontractors, and can not succeed without them. In chapter three, the author will explain in more detail, what is meant with multi-actor business and further on with the case company. In this thesis context, with the word freelancer is meant self-employed entrepreneurs, who work for themselves, are members of a cooperative society or use freelancer tax ticket, the point is that they are all subcontractors for the case company and not employees in the words traditional meaning.

This thesis is a research-oriented development process which means that it covers systematic, analytical and critical aspects (Ojasalo, Moilanen & Ritalahti 2014). It is systematic, the research follows the Double Diamond design process model (the British Design Council). Also, in the beginning of the process a schedule, goals and objective were set and the whole process has been documented by taking photos, using sound recording and taking notes. These actions help the author to return to certain points of the research and help remembering the steps. It is analytical; it includes both theoretical and practical knowledge, and during the research, different methods were used to find out new perspectives. The research includes both the authors and different actors point of views, which makes it holistic. It is also critical; all the knowledge has been evaluated by comparing the findings to related literature and other findings.

The research was done by using a case study. Yin (2009, 4) and Silverman (2011, 5) both recommends to use a case study, when it comes to qualitative research. Case study research, action research and interactive and interpretive methods are also the Nordic School way of approach to service research (Gummesson & Grönroos 2012). The case study is based on the Double Diamond design process model to find answers to the questions listed below. During the case study certain service design methods were used to get more specific data on the subject. For the reliability of this thesis all used methods were documented in different ways to minimize errors and biases in this case study. (Yin 2009, 45.)

The aims of this research is to find answers to the following questions to get a comprehensive understanding of the current situation and find ways to improve it:

- What is the current situation of cooperation in multi-actor business?
- Why the cooperation in multi-actor business should be improved?
- Which tools and methods would help to create better understanding between different actors in multi-actor business to achieve a win win situation for all of the actors?

By finding the answers to the questions above the author believes that the objective of this research could be reached.

### 1.3 Structure of the thesis

At this point it is time to examine the struture of this thesis. The structure should help the reader to follow the research step by step. This thesis has six main chapters. The first chapter introduces the reader to the thesis topic “Improving cooperation in multi-actor business from freelancers’ perspective”. It gives the reader background information of the topic and sets the research objective. After reading this chapter the reader could be able to understand the outline of the thesis. Also the main terminology of the thesis becomes familiar by reading the first chapter.

The second chapter introduces the service perspective, the theoretical approach, that could be understood to understand the topic and the research methods used in this thesis. New ways of research are needed to come up with usable solutions. This is why both theory and service design methods are part of this thesis and together they provide a comprehensive ground. What is service marketing and management? What is service-dominant logic? What is the difference between cooperation and co-creation? What is meant by value and how can it be co-created? Why networks and ecosystems are important?

The third chapter gives a brief introduction of the context of the thesis. What means multi-actor business? Who is an actor? How is the multi-actor business seen from different perspectives; from freelancers’ perspective and from company’s perspective?

The fourth chapter contains the empirical part of the thesis. In this chapter the development project is introduced as well as service design, the service design process model and methods, that were used during the research. After reading this chapter the reader should be able to understand the benefits gained by using service design in this research. How does a Double Diamond service design process model work? What were the chosen service design methods? Why were those particular methods chosen? How were they used?

The fifth chapter introduces the outocomes of the thesis. What were the findings of the development project? Were the chosen service design methods correct for this research? What could be actually improved in the cooperation in multi-actor business? And other thoughts that rose during the process.

The sixth and the final chapter is the chapter that combines all the findings together and concludes the thesis. It also includes further thoughts and questions that could be researched in the future.

# 2 Multi-actor cooperation and co-creation approaches

This chapter contains theoretical background for this thesis. The case company in this thesis is a company selling marketing and communication services to firms by using suppliers/ subcontractors including freelancers. At the same time, as the way of working is changing, also the research methods are developing and businesses are seen in more human-centric way. Therefore this thesis is based on theories in service management and marketing viewed through a service-dominant logic (S-D logic) lens (Lusch & Vargo, 2004). Traditional management and marketing has gained a prefix “service” and in addition, the whole theory is viewed through a rather new logic lens, to provide understanding of the economic and social activity. The empirical research follows the principles of service design. The service design methods are further explained in chapter four. S-D logic helps to assimilate the idea behind service design.

Service marketing and management viewed through a S-D logic lens

To help to understand the theory part let’s start with the basics. What is marketing? The American Marketing Association’s 2013 definition for marketing is the following (AMA, 2016): “Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.” One could say that marketing is about value propositions for everyone who is somehow attached with the product or service, the company is trying to sell. Let’s continue with the prefix “service” and management. As we are very well aware of, service business has its own special characteristics. Due to these characteristics service businesses are extremely sensitive to the quality of management - how the organization is managed. It is fair to say that service companies simply can not be successful without great management (Normann 2007). According to Normann (2007: 55) “service is a social process, and management is the ability to direct social processes”.

So what are the special characteristics of services? “The four commonly cited classifiers of services are (1) intangibility – lacking the physical or concrete quality of goods, (2) heterogeneity – the relative difficulty of standardizing services in comparison to goods, (3) inseparability – the inability to separate production from consumption, and (4) – perishability – relative inability to inventory services as compared to goods” (Lusch & Vargo 2015: 43). Like in many cases some question the above definition of characteristics of services. Gummesson (2012, 10) states that “to avoid the wrong associations it is important to note that “service” (in the singular) as used in S-D logic refers to the service given by whatever we purchase, irrespective of this being goods or services (as these terms are used in official statistics)”. This is a good point to keep in mind. In addition, Grönroos (1998: 337) points out “it seems inevitable that understanding services processes is becoming an imperative for all types of businesses, not just for what used to be called service businesses”. He continues, that despite of a company selling physical goods or services, service marketing and management knowledge are required to manage the business successfully (Grönroos 1998, 337).

When viewing service marketing and management through S-D logic lens, the S-D logic axioms and foundational premises must be taken into account. According to Lusch & Vargo (2015: 54), the next four axioms form the foundation of S-D logic: “service is the fundamental basis of exchange, the customer is always a co-creator of value, all economic and social actors are resource integrators, and value is always uniquely and phenomenologically determined by the beneficiary” (the person who benefits from it). Meaning that people do not buy goods or services, but service, which is gained through the exchange. The value of a service is always personal and subjective to the person who benefits of it. Further on, behind the first and the second axioms there are six additional premises which will be introduced in chapter 2.1.

Marketing has changed a lot during the last 50 years and especially service marketing during the last 20-25 years. In the 1960s and 1970s, the first service marketing books were written and a debate of goods marketing versus services marketing begun. Between the 1980s and 2000, the biggest emerge in marketing happened, due to technology and Internet. (Brown, Fisk & Bitner 1993.) In 2007, Gummesson published an article ”Exit Services Marketing – Enter Service Marketing”, where he stated that a paradigm shift is taking place in marketing and needs to be reflected, much faster than before. Gummesson continues that the traditional Marketing Mix’s 4Ps (and the extended version 7Ps) are becoming part of the history and this is why he developed the 30Rs, which are organised into three groups: Market relationships, Mega Relationships and Nano Relationships. In his article, he emphasises the importance of networks, many-to-many marketing and interactions, concluding it as the following: “Relationship marketing is interaction in networks of relationships” (Gummesson 2007: 20). He also suggests, that the one-party centricity, either supplier-centricity or customer-centricity, thinking should be replaced by balanced centricity. The one-party centricity is part of the traditional marketing mix and value chain, where as the balanced centricity way of thinking supports the service-dominant logic, where all the stakeholders are taken into account not just one party. It has been discussed, whether companies should not concentrate only on goods or services, but instead both of them as the service-dominant logic suggests (service in the singular replacing both goods and services). There is no need to separate goods and services; because quite often they work as a pair, as everything is service. Also, the roles of suppliers and customers are rethought, as the customers have influential role in marketing and are creating value in many ways for each other and for the suppliers.

Gummesson (2012) also argues that all employees should be thought as marketers, either part-time marketers (PTMs) or full-time marketers (FTMs), depending on the employees job. He continues, all employees influence customer relations, customer satisfaction, customer perceived quality, and revenue (Gummesson 2012). This is extremely important to keep in mind concerning this thesis context, where most of the work is outsourced to subcontractors like freelancers. Gummesson & Polese (2009) agrees and point out, that “only networks behaving like coherent systems can perform better than the competitors”.

To conclude what Gummesson (2012) and Gummesson & Polese (2009) said, marketing should be thought as marketing-oriented management as it embraces the whole business and therefore involves general management, corporate governance, engineering, finance and other functions. This is also well in line with S-D logics axiom “all economic and social actors are resourse integrators”.

Summing all together here are the main messages of this chapter: All business is service (S-D logic axiom 1: service is the fundamental basis of exchange), there is no need to categorize goods and services. All employees are PTMs or FTMs, those employees who do not influence the relationships to customers full-time or part-time, directly or indirectly, are redundant (Gummesson 2012, 82). All stakeholders should be taken into account, companies should aim towards balanced centricity (S-D logic axiom 3: all economic and social actors are resource integrators). Let’s not separate marketing and management but replace them with marketing-oriented management. Relationship marketing is interaction in networks of relationships. Therefore the chosen perspective for this thesis is service management and marketing, viewed through a S-D logic lens, as it gives support to the multi-actor business.

## 2.1 Service-Dominant Logic in multi-actor business

From the 1960s to 2000 there has been a lot of writing and debating about goods marketing and services marketing. Nowadays companies are getting used to the idea that goods and services go hand in hand and as Gummesson (2007, 4) states: “all marketing is about value propositions!”, which leads us to service-dominant logic (S-D logic).

Service-dominant logic suggested by Vargo and Lusch (2004) is a rather new logic, which states that customers are not buying products or services but value propositions. ”In S-D logic the application of specialized skills and knowledge through deeds, processes and performances is the fundamental unit of exchange and it defines service. Knowledge is also the fundamental source of competitive advantage. Further, service provision is integration of resources between the parties involved with the supplier and the customer in its core” (Gummesson 2012: 10).

S-D logic perspective is suitable for multi-actor business, where most of the service is outsourced from the nodal company to different actors (suppliers/subcontractors), which makes all the actors resource integrators. The value is co-created and trust, loyalty and openness play a major role. As mentioned already in previous chapters Lusch and Vargo (2015, 54) have introduced four foundational axioms of S-D logic, which all are part of the 10 fundamental premises, that can be seen in the figure 1. According to Lusch & Vargo (2015: 80) ”the role of the axioms and foundational premises of S-D logic is to provide a framework or lens for viewing all actors in the process of exchange (exchange meaning business)”.

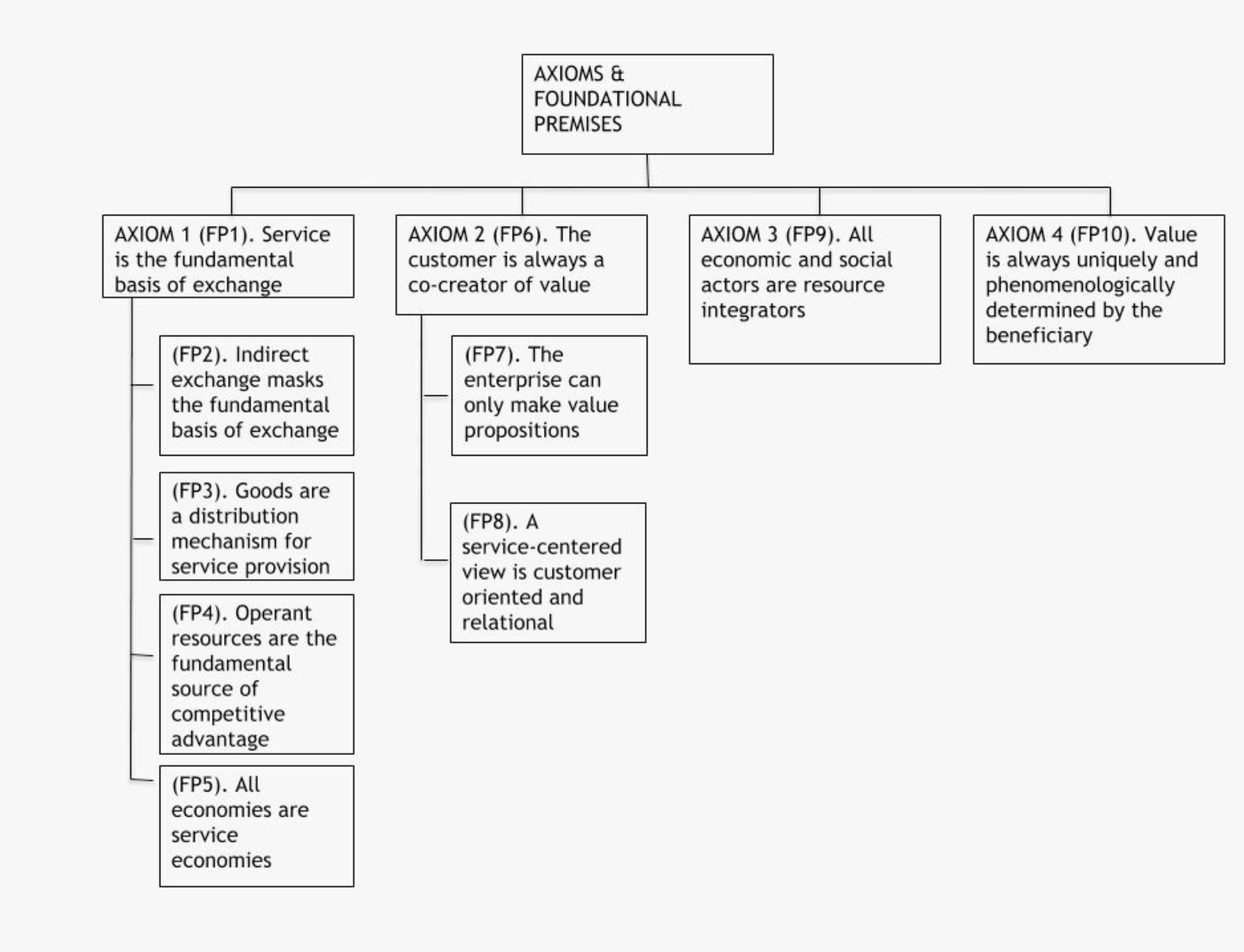


Figure 1: Axioms and foundational premises of S-D logic (Lusch & Vargo 2015, 54)

In addition to the four S-D logic axioms there are six more foundational premises that go under the the first and second axioms. These foundational premises are seen in the figure 1 above. The figure 1 gives a comprehensive view of how all of the ten FPs relate to each other. Concerning this thesis the axioms number 2, 3 and 4 are the most important ones, but all of the 10 FPs are beneficial to keep in mind. The second axiom ”the customer is always a co-creator of value” focuses on collaboration, which is essential to actors in multi-actor business. The third axiom ”all economic and social actors are resource integrators” gives a holistic perspective to view multi-actor businesses and the endless possibilities around. And the fourth axiom ”value is always uniquely & phenomenologically determined by the beneficiary” emphasizes the differencies how people experience service.

Multi-actor business is strongly dependent on relationships between the different actors which makes S-D logic a good perspective to look at it. Grönroos & Helle (2012, 346) claims that a win-win oriented relational approach must be based on a service perspective, because realtionship marketing requires that the supplier (in this case also including freelancer) aims at supporting its customers' processes. This thesis aims to find better understanding between the different actors in multi-actor business to achieve a win-win situation for all of them. To achieve the goal relationships play a major role. Gummesson (2004) has even introduced a definition return on relationships (ROR). According to Gummesson (2012: 257) "ROR is the long-term net financial outcome caused by the establishment and maintenance of an organization's network relationships". It has been researched that a new customer costs 5 to 10 times more than an existing customer to a company (Gummesson 2012, 257). The author of this thesis believes, that it is the same with "good" freelancers. If a multi-actor company finds a "good" freelancer it is worth holding on to achieve ROR.

### 2.1.1 From multi-actor cooperation to co-creation

According to Prahalad & Ramaswamy (2004: 12) "traditional business thinking starts with the premise that the firm creates value. A firm autonomously determines the value, that it will provide through its choice of products and services. Consumers represent demand for the firm's offerings." When viewing service through S-D logic lens the basic thought, as axiom 2 point out is, that "the customer is always a co-creator of value." Co-creation of value means value through personalized interactions that are meaningful and sensitive to a specific consumer (Prahalad & Ramaswamy 2004, 16). The co-creation experience is the basis of unique value for each individual. Co-creation is interaction between the consumers and the firms (different actors) and is one of the most important qualities of service design.

Multi-actor business is all about cooperation between different actors. Cooperation is often perceived as involving someone to something, whereas co-creation is perceived as engageing someone to something. This being said, co-creation is a stronger term and businesses should aim towards it for better results. So, how could cooperation be taken into a new level of co-creation instead of just cooperation?

First of all, according to Miettinen et al. (2009) all actors should always be included in the service design process if the value of co-creation is wanted to be achieved. The value of service is increasingly being co-created in a process together with the different actors including customers and this embraces external expertise in the designing services (Miettinen et al. 2009). Miettinen et al. (2009) continue, it also brings expertise to all of the actors and prepares them for independent continuation on service design thinking and acting. This requires that all different actors are thoroughly integrated into the exploration and creation process.

On the other hand, co-creation also concerns the service offering: by definition most services are co-produced, so design integrates all actors as active parts into the service delivery process, seeing them not as passive but as active partners and “co-creators” of value. Co-creation allows actors to co-construct the service experience to suit their context, and the service design process offers methods to enable this. (Miettinen et al. 2009, 11, 38, 64.)

Co-creating value also requires full understanding from the top management as Normann (2007) described in chapter 2. According to Prahald et al. (2004, 205) the role of top management is very critical in co-creation environment. A company’s leadership must strengthen the mind-set and skill set of managers, encourage the development of internal collaboration, support and nurture the knowledge environment and, develop and articulate a clear point of view about the future without forgetting investing in developing the capacity to compete on experiences.

Fuad-Luke (2009, 147) analyses co-design and describes it as following: “co-design is a catch-all term to embrace participatory design, metadesign, social design and other design approaches that encourage participation”. Co-design and co-creation have a lot of common characteristics and the co-design methodologies, that Fuad-Luke (2009, 147) describes are mostly the same as service design process methods:

- Being an iterative, non-linear, interactive process
- Being “action-based” research
- Involving “top-down” and “bottom-up” approaches
- Simulating the real world
- Being useful for complex systems or problems
- Being situation driven, especially by common human situations
- Satisfying pluralistic outcomes
- Being internalized by the system

S-D logic is all about co-creating value. Lusch & Vargo (2015: xvi) states “we as individuals, our firms, and our government institutions as well, are resource integrators co-creating value in a service ecosystem.” Whether we like it or not, we actually are already value co-creators. When companies want to proceed from cooperation level to co-creation level they need to widen their perspectives to understand the importance and usefulness of all of the actors involved. This is why this thesis is based on the theory of service marketing and management viewed through a S-D logic lens. As the earlier researches explain, service marketing and management knowledge are required to manage the business successfully (Grönroos 1998, 337).

### 2.1.2 The value of co-creation in multi-actor business for different actors

S-D logic's FP6 and FP7 suggests, that "the customer is always a co-creator of value" and "the enterprise can only make value propositions" (Lusch & Vargo 2015, 54). In multi-actor business the value is created in several "layers", since the business itself comprehends from various levels of customers and suppliers. What is the value proposition for the company using freelancers? Why would a company want to use multiple actors e.g. freelancers instead of full-time and part-time workers? What is the value proposition for the freelancers when working for a multi-actor company such as the case company instead of working straight for end customers? This chapter tries to explain these questions, to understand this business context.

Service Logic Business Model Canvas introduced by Ojasalo & Ojasalo (2015) is a business model framework, that takes into account the principles of the contemporary logics such as S-D logic among few others logics. According to Ojasalo et al. (2015), "the Service Logic Business Model Canvas is a modified version of Osterwalder and Pigneur's (2010) Business Model Canvas, which is one of the most popular business model frameworks at the moment." The Service Logic Business Model Canvas provides usefull questions for multi-actor companies and freelancers especially concerning key partners, key resources and mobilizing resources and partners (see table 1).

According to Ojasalo et al. (2015) Key Partners are typically suppliers (e.g. freelancers) and other network partners that are directly required in value creation. The table 1 describes the main points that a multi-actor company should concider to get a full understanding of their key partners, key resources and, mobilizing resources and partners. It also suggests to view the questions from different perspectives. The author of this thesis recommends likewise the freelancers to try to look at this table 1 from their company's perspective and answer the same questions as multi-actor companies. This could help both actors to cooperate even better.

| Key Partners | Key Resources | Mobilizing Resources and Partners |
|---|---|---|
| **From company (multi-actor company or selfemployed person) point of view:** Who are our key partners? What are the roles of our partners? What resources do we need from our partners? How do the partners benefit from our cooperation?<br><br>**From customer point of view:** How does the customer experience our partners? What kind of partnerships does the customer have and how should they be taken into account? | **From company point of view:** What skills and knowledge do we need? What other material and immaterial resources and tools are required?<br><br>**From customer point of view:** What skills and knowledge is required from the customer's side? What other customer's material and immaterial resources and tools are required? | **From company point of view:** How do we coordinate multi-party value creation? How do we utilize and develop partners and resources?<br><br>**From customer point of view:** How can the customer utilize and develop partners and resources? |

Table 1: Questions to help understanding the reasons and purpose of different actors cooperation (Ojasalo et al. 2015)

By answering the questions in the table 1 both multi-actor companies and freelancers could get a better understanding of their businesses and cooperation reasons. Grönroos & Helle (2010, 572) highlight the importance of business engagement and mutual value creating. When for instance both suppliers and companies have common understanding and goals the results are more easier reached.

But let's get back to the questions in the beginning of this chapter. A company using freelancers instead of full-time workers, get to choose with whom they want to work for each project, or at least they get to choose from the best suitable and available freelancers. They also save money, since they pay only for the project hours, a freelancer works for them. So why are not all companies using freelancers? Well it is risky, what if all the best freelancers are already booked, or someone in the company has behaved badly towards a freelancer and he/she does not want to work for the company in question anymore. How can a nodal company ensure, they have the best suitable freelancer for the project, when they need them? It is a good question.

Everytime a company uses a freelancer, the freelancer needs to be taught to the company processes and rules. These are just some examples to get familiarize with the situation. When thinking about freelancers working for multi-actor companies, the freelancers do not need to put time into gaining new end-customers and if a company is happy with their work, usually they offer new projects for the freelancers. Using the same freelancer is also effective, since the freelancer does not need to learn new company processes and rules. To keep the work in a way, that both parties are satisfied they need to understand, that value creation as mutual phenomenon needs to be emphasized (Grönroos et al. 2012, 356).

## 2.2 The importance of business networks and ecosystems in multi-actor business

Business networks
“no firm is an island”

In this thesis, with the term network is meant different companies or entrepreneurs co-operation structure, that is being developed consciously. Some networks can be part of bigger networks, that all together genrate a network constellation. The main aim of networks, is to produce benefit to the entrepreneur or company, usually by gaining flexibility and diversity from the networks. (Ojasalo & al. 2014, 97; Valkokari et a. 2014, 15.) In multi-actor business networks play a major role. In fact, multi-actor business is a one sort of a network itself, at least this is how the author sees it. Prahalad and Ramaswamy (2004) discuss about experience networks and symbiotic ecosystems. Valkokari et al. (2014: 4) points out that “success in the dynamic and competitive global markets of the future, cannot be guaranteed through fixed and slowly evolving network structures, new models of business networks need to be shaped.” Valkokari et al. (2014) also emphasizes the importance of flexible contracting and communal information exchange within networked business models.

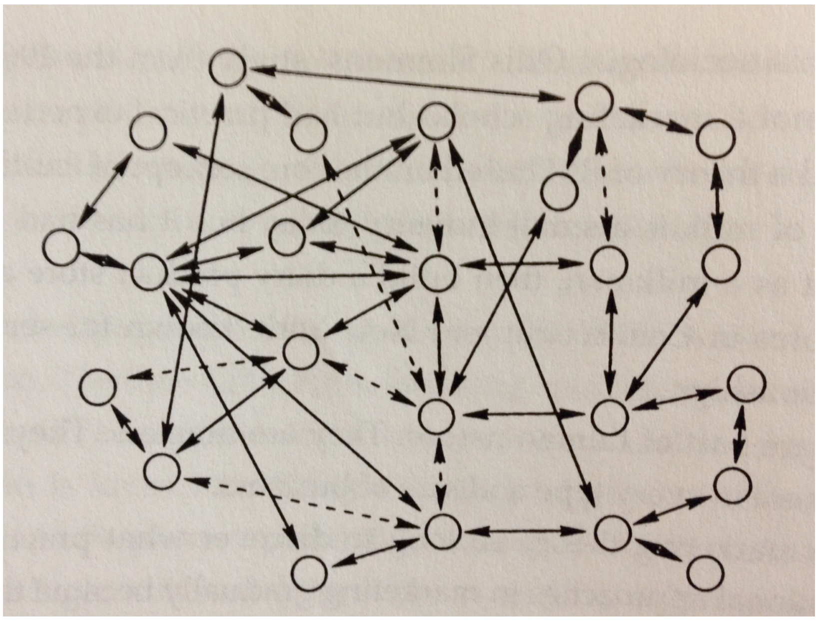

Figure 2: A network of relationships (Gummesson 2012, 6)

As the previous literature has explained, in today's business world no company can succeed alone. Business networks are needed as businesses become more diverse, complex, unique and multipolari (see figure 2). Companies that succeed in this dynamic global competition are customer oriented, relational, agile, have low hierarchy and use self-organizing systems (Valkokari et al. 2014). Networks can be either vertical or horizontal or both as seen in the figure x. Vertical networks are the traditional customer-supplier relationship integrations or furthermore partnerships. The basis of horizontal network is combining resources or knowledge with another actor from the same field for getting a better status/ position in the business competition. The aim of horizontal networks is also to set common goals, meaning and creating same kind of thinking, within the companies. (Valkokari et al. 2014, 19.)

Service ecosystems

"Our competitors aren't taking our market share with devices; they are taking our market share with an entire ecosystem. This means we're going to have to decide how we either build, catalyze or join an ecosystem," Stephen Elop, chief executive officer Nokia (2011) (Lusch & Vargo. 2015: 158.)

"The concept of an "ecosystem" has begun to emerge in discussions of business, organizations, and economies and is quite useful to S-D logic thinking" (Lusch & Vargo 2015: 161). The word ecosystem comes from biology and as a term it is a metaphor that cites to onekind of biological system. "Biological, or natural, ecosystems consist of loosely interconnected actors that are dependent on one another for survival; however, the dependency may not be direct or one-to-one but rather indirect" (Lusch & Vargo 2015: 161). In business world ecosystem is often used as a lens through which a complex organization can be understood. The aim is to help understand complex organization structures. A healthy ecosystem functions effectively and it is productive, beneficial, robust and versatile. Reasons to be a part of an ecosystems are usually the following: developing together, expanding, trying to tempt new collaborators who can provide new visions, renewing the whole ecosystem the company is in, and finding new innovators and/or innovations. (Valkokari et al. 2014, 31-36.)

Future guidelines for working in a business ecosystem – basis thought is the need to collaborate: meeting the best customer promises, visioning and creating possibilities, future's business potential, optimizing the level of the ecosystem, guiding the system, lowering the interface between companies, adding value in the value system, employees identifying themselves to the company they are working in and the network, open and system level knowledge, contratcts that protect the system (Valkokari 2014, 55). Business ecosystems are still in its infancy but Valkokari et al. (2014) believes that it will become more common in the next 10-20 years.

Also in Harvard Business Review (Kramer et al. 2016) was an interesting article about ecosystems and creating shared value. The article analyses, that "when one company improves the market ecosystem, it almost always improves conditions for its competitors" (Kramer et al. 2016). In the figure 3 is illustrated a service ecosystem with shared institutional logics (Lusch & Vargo 2015, 167-168). So if one company would improve the market ecosystem in the shared institutional logics area, all its competitors would benefit from it as well.

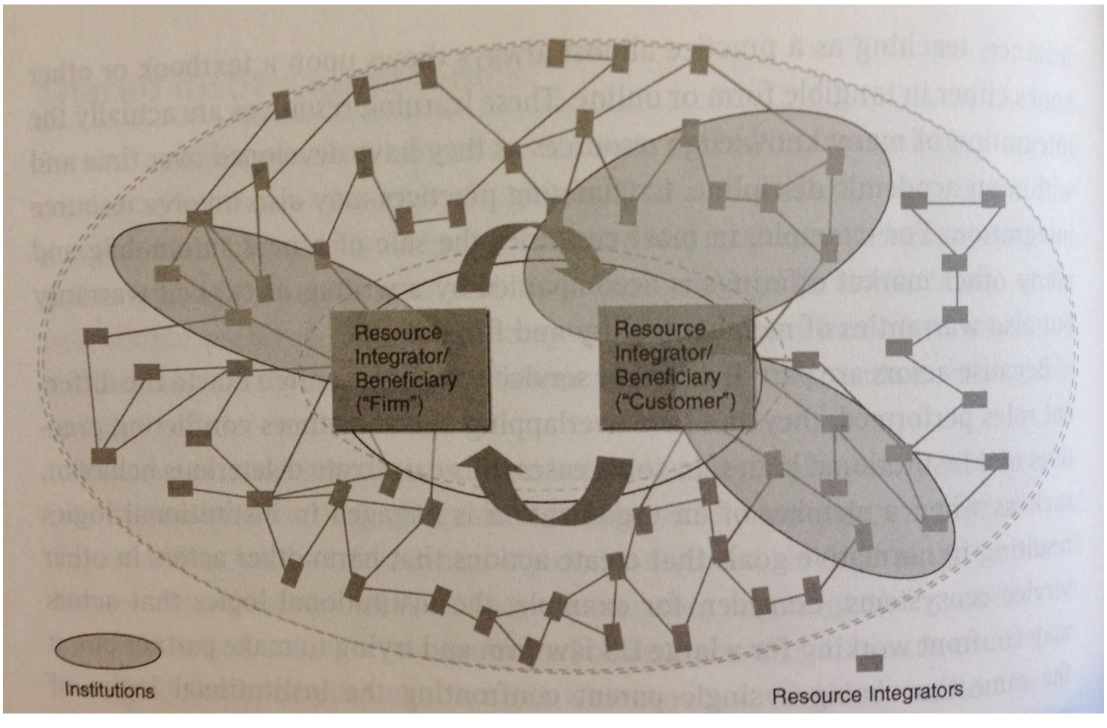


Figure 3: Service ecosystem (Lusch & Vargo 2015: 168)

Based on the literature reviewed in this thesis, the next words have arisen in quite many materials: networks, ecosystems, platforms, relationships, co-creation and many other words with a co prefix. Todays business is about collaboration. Multi-actor companies are one proof of the way the economy is heading towards to. Having a large network and being part of an ecosystem are bare necessities for actors aiming to succeed in the changing business world. Therefore it is extremely important for the actors working in multi-actor business to understand what ecosystems and networks are for and what they provide for them.

#### 2.2.1 Engagement as part of collaboration of actors in multi-actor business

Multi-actor business Is a complex business where it is not always clear who is the customer and who supplier. Sometimes one actor can have several roles, so succeeding does not require to look into the roles of different actors, but instead looking at the behaviour of all actors involved. As the previous chapter pointed out, everything comes to collaboration and in good collaboration the value is mutually created. Also the importance of networks and ecosystems has risen.

To succeed in multi-actor business according to Valkokari et al. (2014, 56-57, 70) an actor needs to have coordination skills, be able to collaborate with different actors with different backgrounds, be realistic of her own cababilities, adjust and adapt skills, be good in communicating, have social readiness, be open, be aware of the current situation she is working in, and be part of a network infrastructure. Grönroos et al. (2012, 346) adds the importance of mutually maintaining the relationship meaning, that both parties may need to work in favor of the relationship and not just the one who is seen as a customer. In other words, all actors need to engage themselves to the project and not just be involved with the project they are working with.

Engagement is a strong term. According to wikipedia it means a promise to wed, to dedicate yourself to another person (Wikipedia website). In management literature work engagement means in general positive continuum of work, which is the opposite of burnout (Chandler and Lusch 2015, 8).

Also empathy increases the level of engagement. A research project called CoPassion, done by the Univeristy of Helsinki, has released an article, where they state that companies that give sympathy to their workers gain engagement from their workers, explains Seppänen (STT info webpage). As well as three very successful company leaders; Tony Hsieh the founder of Zappos, Herb Kelleher the founder of Southwest Airlines and Richard Brandson the founder of Virgin Group all emphasize engagement. In three inspirational videos available in youtube, these three leaders pointed out, that they all care about their employees and focus on finding ways to engage them. This was partly their secret to success. They all have understood that happy employees equals to happy customers which means more profit to the company. Richard Brandson even claims “clients do not come first. Employees come first. If you take care of your employees, they will take care of the clients” (youtube website).

Concluding this chapter, thru engagement of collaboration a company could be able to provide better service to its customers.

# 3 Multi-actor service business in marketing context

After reading the first two chapters we are now aware that the current working life is facing some big changes. Global competition, the development of technology and high full-time employee costs have forced companies to think how they can stay in the game and make profit. Multi-actor business is one solution for some companies. Networks, ecosystems and relationships are essential to succeed in today’s business world and service perspective is one good way of looking at this all.

Multi-actor business consists of several different actors which makes it complex. Thru engagement of collaboration a company can provide its services more widely, by using spezilised suppliers (e.g. freelancers) as their own service providers. At the same time the company co-creates value to their customers by choosing the right (available) persons to certain projects. In multi-actor business, operates multiple actors in a complex business compared to a normal dyadic (only two actors or companies involded) or generalized business (Lusch & Vargo 2015, 106-107.) In this thesis, the S-D logic is observed. “In S-D logic, dyads exist, but embedded in triads of actors that form a network” (Lusch & Vargo 2015: 159).

In the figure 4 below, the different types of businesses are visualized, which helps to understand the complex type. Instead of business, Lusch & Vargo uses a term exchange. Exchange means the way in which value is exchanged between the actors (usually customer and service provider). In complex exchange there are at least three different actors. All of the actors involved with the complex exchange are part of a value constellation or service ecosystem. (Lusch & Vargo 2015, 108.)

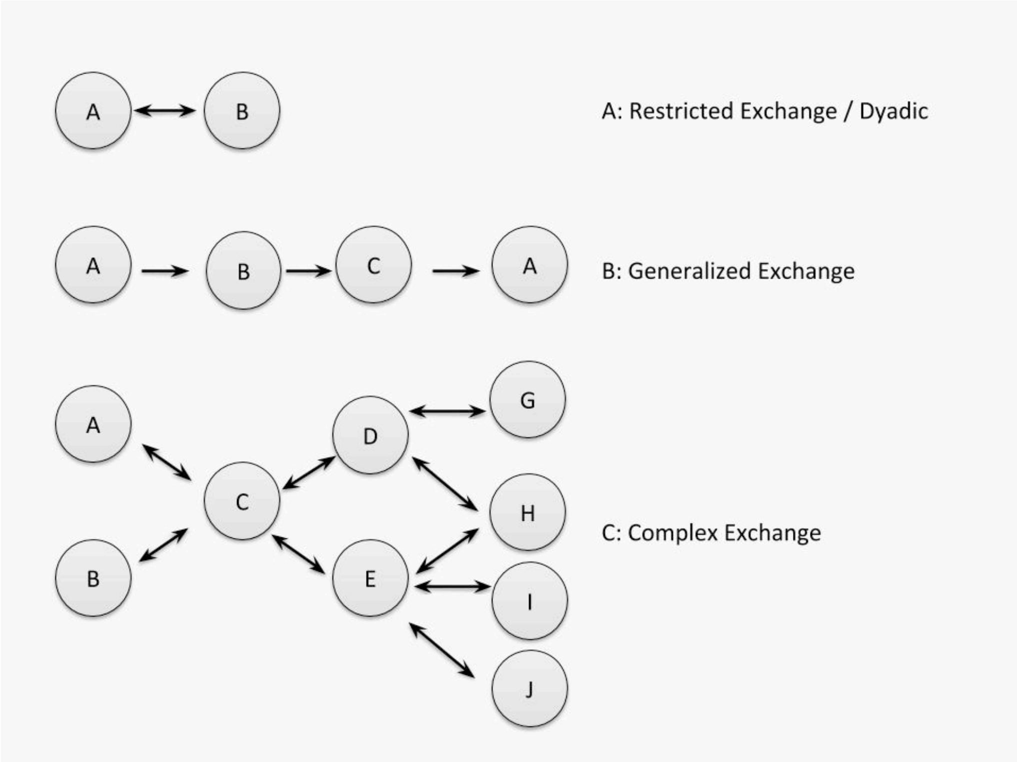


Figure 4: Types of exchange (Lusch & Vargo 2015, 107)

In this thesis, the author chose to use a term multi-actor business instead of complex exchange as Lusch & Vargo (2015) suggests. The author believes, that multi-actor business is easier to understand than the term complex exchange. Multi-actor business means a business where operates multiple actors in a complex exchange compared to a normal dyadic or generalized exchange as can be seen from the figure 4.

## 3.1 The actors in multi-actor business

As the previous chapter pointed out multi-actor business consists of several different actors, which makes it complex to manage. When looking at the whole multi-actor ecosystem of networks from a more wider perspective, one can notice that a self-employed entrepreneur/freelancer can be involved with several multi-actor businesses at the same time. There is no limitation on in how many multi-actor business one actor can work at the same time, all depends on how the actor can manage them all and how well the nodal companies manage ecosystem. Continuing the figure 4, we can now zoom into one complex exchange (multi-actor business) and see how the roles could be (see figure 5).

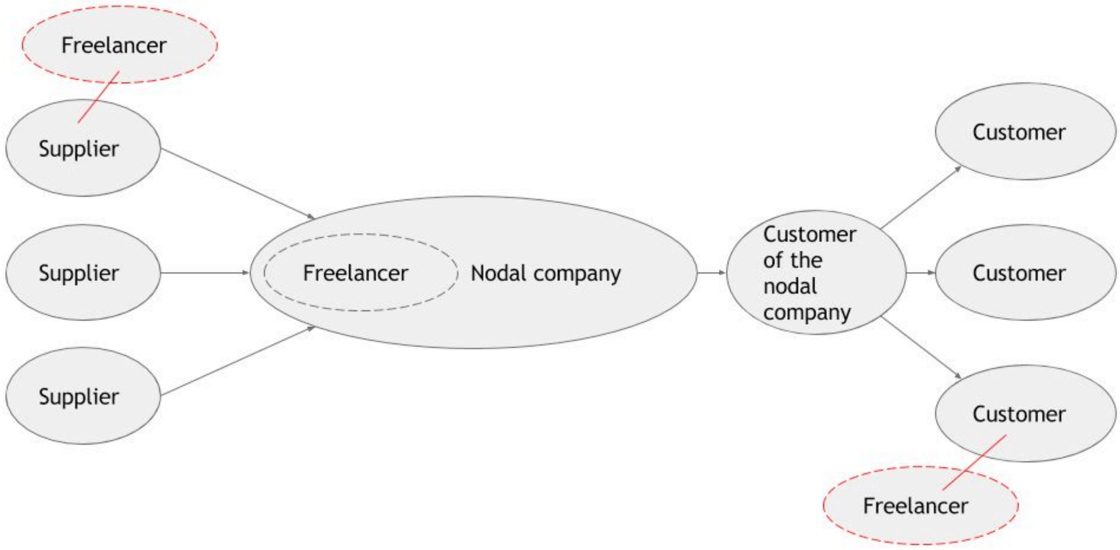


Figure 5: Multi-actor business environment

As depict in figure 5 above, sometimes one actor can have several different roles in different businesses, this is why the author of this thesis chose to use a term actor instead of specifying the actors to businesses, customers, consumers or suppliers. In this context, with the word actor is meant: businesses, entrepreneurs, freelancers, suppliers, partners, employers, employees, consumers and/or customers. Also S-D logic contributes the actor-way of thinking as both customers and suppliers are seen as operant resources that co-create value (Gummesson & Mele 2010, 187). Lusch & Vargo (2015, 102-103) describes this kind of exchange and exchange systems as actor-to-actor (A2A) interactions. “Businesses and consumers have been generalized to actors and B2B (business-to-business) and B2C (business-to-consumer)/C2B (consumer-to-business) have merged into actor-to-actor relationships, A2A” as Gummesson and Mele (2010, 187) describes the change.

Prahalad and Ramaswamy (2004) explains the same kind of business environment by using term symbiotic ecosystem, that consists of experience networks where nodal companies function. Experience network consists of several different companies and actors, and some of the companies can be called nodal companies. A nodal company is a firm that contributes intellectual leadership, build coalitions, and forge pathways for products, information, and expertise (2004, 95). When two nodal companies connect they create a symbiotic ecosystem where is a continuous learning process on both sides as each nodal firm nurtures and builds its competence (2004, 112). In this research the marketing and communications case company is considered as a nodal company working in an actor-to-actor complex exchange (see figure 5).

When speaking about multi-actor business (see figure 5) the roles of actors are not always clear. For example a freelancer working for a business-to-business company is a service provider for both, the company she is working for, but also for the company's customer company, where she/he is often seen as an employee of the company providing its services. In multi-actor business environment there can also be several nodal companies and the same freelancer can be working for all of them, if there is no competition restrictions.

To conclude this chapter, here is quote from Lusch & Vargo (2015, 80) about actors: "Actors are viewed as becoming more specialized and thus needing to more intensively and extensively exchange service, integrate resources, and create and use resources to enhance the viability of the relevant system(s) within which they are embedded. As such, all actors can be viewed as value centric, effectual, enterprising, resource-integrating actors."

## 3.2 Multi-actor business environment from different perspectives

This chapter starts by viewing multi-actor business from company's, that uses several different actors, point of view. After the company part, multi-actor business is viewed from freelancer's perspective. This chapter tends to answer the questions: What are the main challenges and the main advantages for different actors involved with multi-actor business?

### Multi-actor companies

Norrman (2007, 55-56) points out that service companies are very sensitive to the quality of their management. In multi-actor business, where there are multiple different actors and the roles are not always clear, the sensitivity of management rises to another level. An important part of management consists of identifying the critical factors which make the particular service system function and designing powerful ways of controlling and maintaining these attributes in a very concrete manner, Norrman (2007, 55) explains. Norrman (2007: 56) adds "there is no other way of achieving high quality in every single contact (A2A interaction) by maintaining a pervasive culture and making sure, that every employee not only possesses the appropriate skills but is also guided by the appropriate ethos". It is good to keep in mind, that all actors (including freelancers) involved with the business are either FTMs or PTMs as Gummesson (2012) described in the chapter 2. In addition, Grönroos and Voima (2013) states, that "service providers' opportunities to co-create value with customers during direct interactions influence not only customers' value creation but also their future purchasing and consumption behavior". This being said, all actors affect or have an infuence on the company's image and the management has to be wide awake to notice if something is not right.

According to Prahalad and Ramaswamy (2004, 112) the immediate and fundamental task of core nodal companies managers is to conceive and develop an experience network within, which the firm and consumers can co-evolve with their experiences. Maintaining a network is always each actors own resbonsibility to support a given set of activities. Managing a core nodal company might be challenging, since there are different kinds of actors involved with it, such as company partners, full-time workers, part-time workers, freelancers and other suppliers. Also managing the service process is challenging because there might be several subprocesses going on concerning each actor. The role of the top management of a company working in a multi-actor business environment is very critical. Understanding the roles of all actors, the relationships between their specific jobs and strategic intent is essential to success.

Freelancers

Self-employed persons are those who are engaged in economic activities on their own account and their own risk. Self-employed can be self-employed with employees, such as own-account workers or freelancers. A person acting in a limited company, who alone or together with his/her family owns at least one half of the company, is counted as self-employed. (Statistics Finland). Freelancers are service providers, who offer their services via their own private companies or by using an income-tax card for freelancers. According to Jääskeläinen (2015, 231) freelancers are often the better part of their industry, which makes it easy and efficient to use them in the high peaks of business seasons.

A survey of self-employed people was done by Statistics Finland for the first time, during the years 2013 to 2014. The aim of the survey was to collect data on the situation and working conditions of self-employed persons, freelancers and persons working on a grant. The survey provides information on what is good and bad about being an entrepreneur or a freelancer, how their social security is arranged and how they have ended up as entrepreneurs. These questions among other important questions provide comprehensive knowledge about self-employed people. Over the past ten years, the group of persons employing themselves in different ways has been increasing steadily. Senior Researcher Pärnänen (Statistics Finland website) from Statistics Finland says: “At the moment, there are about 154,000 self-employed people aged 15 to 64 in Finland. However, very little is known about the employment situation or working conditions of this group.”

Entrepreneurship is not always a persons own choise. According to Pentikäinen (2014) part of the entrepreneurs do not simply have other choices than to start their own private companies, due to the lack of workplaces in certain business areas. Also the importance of social skills and networking rises to a new level when a person has to sell herself to get work. Entrepreneurs are at the same time sellers, marketers, administratives, human resource managers and specialists at their own business area. Communication plays a big role as there might be several actors to whom the entrepreneur is working for.

Jääskeläinen (2015) states, that currently the competition is so hard that there is no place for "unprofessional" freelancers. "Unprofessional" freelancers are unemployed freelancers. When comparing freelancers to full-time employers freelancers come more cost effective. The work freelancers invoice, should always be 100% of their working load whereas full-time workers work load can never be 100% correct. For example freelancers can not invoice for the idle-hours. Companies that use freelancers are neither ever responsible for freelancers healthcare, ability to work, and it is really easy to get rid of a freelancer, there are no obligations. (Jääskeläinen 2015, 231.) Jääskeläinen suggests companies to treat freelancers the same way as other employees. By treating freelancers the same way, usually eases communication and by respecting them you get better service and flexibility. Of course the freelancers need to adapt the company culture so this goes vise versa. (Jääskeläinen 2015, 232.)

To conclude this chapter, hard competition due to globalization and rapid development of techonology forces companies to specialize in niche areas. This means, that they have to outsource the non-specialized parts of their production costs and employment costs to stay profitable. Specializing in niche areas create space for freelancers. Companies have understood the cost-effectiveness of using self-employed entrepreneurs and freelancers and are partly substituting full-time workers by using networks of these different specialists/actors (Pentikäinen 2014, 67). Self-employed entrepreneurs and freelancers are a good solution for the fast growing and hard competition since their cost is usually much less than a full-time worker (Jääskeläinen 2015, 231).

In the next chapter the development project of this thesis will be analysed. How does the multi-actor business work in real life. The next chapter takes the previous' chapters learnings to operative level.

# 4 Development project: improving cooperation in multi-actor business

The amount of self-employed entrepreneurs including freelancers is increasing all the time. Businesses, that used to employ mostly full-time workers, have started to use freelancers to save employee costs and get the best available persons for their work projects. In this thesis, the author chose to use a term multi-actor business, to describe these companies that employ both full-time workers and freelancers. These companies can not succeed without freelancers, so freelancers are considered as important "employees" for the company, as full-time workers. Still, there are differencies between how the companies treat full-time workers and freelancers.

The author believes that some of the freelancers would definetly like to work as full-time workers, rather than freelancers. Unfortunately, the working situation has forced them to work as freelancers, simply because there is not enough full-time workplaces available and nowadays some companies prefer freelancers. What can be done, is to try to improve the co-operation in these multi-actor companies between the different actors to gain win-win situation for all. This chapter introduces the development project.

The development project of this thesis was to improve cooperation in multi-actor business from freelancers' perspective. The case company in this case study was a Finnish marketing and communications company that employes approximately 15 fulltime or part time workers and multiple freelancers and other self-employed entrepreneurs. The whole business is based on complex exchange networks as described by Lusch & Vargo (2015) and all people who are somehow part of the network are thought as actors.

For the development part the Double Diamond service design process model was implemented as well as some service design methods that will be introduced further on in this chapter 4. The research includes qualitative research methods such as observing and interviewing. It also includes secondary data and own experience analyzing. During the research a co-creation workshop was held where the participants (different actors) fulfilled a service blueprint and afterwards gave their improvement ideas by using a brainwriting tactic. All of these service design methods were used to get a comprehensive and holistic view of the current state of the problem and to find new improvement ideas.

## 4.1 Defining service design

The aim of this thesis is to improve cooperation in multi-actor business. The theoretical perspective suggests new tools. Service design provides great tools and methods for this kind of improvements and is seen as the mutual language between the different actors. According to Stickdorn et al. (2010) you cannot learn what service design is and how to do it just from a textbook, the best way to learn what it is, is to try, fail, learn from your mistakes, improve, try again and thus educate yourself. Let's find out what it is all about.

There are five principles in service design thinking. The five principles are: User-Centred, Co-Creative, Sequencing, Evidencing and Holistic (Stickdorn et al. 2010, 34). Also Miettinen et al. (2009, 37) describes service design approach as human-centred and holistic. Meaning, when creating a new service or improving an existing one, the whole service process needs to be taken into consideration and viewed from the user's point of view. Co-creation is also a part of service design work. Better results will take place when the customer and the service supplier work together, this is when the service becomes co-created. Service design emphasizes social skills, emphathy towards the actors involved with it, creativity and visual thinking (Miettinen 2011, 32). In service design, it is necessary to challenge every step of the service process. By visualizing the process for example on a service blueprint (see chapter 4.5.2) it is easier to understand at which action points the service could be improved. At the same time it becomes sequencing and evidencing as the process is being visualized or other ways analysed step by step from the beginning to the end.

As Miettinen et al. (2009) states, changes in service design will be long lasting and profitable only if they are driven by insights gained by close observation of the people who use those services. It is this human-centered approach that lies at the heart of service design. Service design explores in depth the vivid world of emotions and experiences, it reads in observations and probes, and helps people to envision and describe more about their own desires. Service design is all about understanding the customers. (Miettinen 2009, 36,124.)

## 4.2 Applying service design process and methods in this case study

Choosing a certain service design process and finding the best methods for the case study is important. There are quite few different service design process models, but in the end all of them obey almost the same phases and marching order. The reason for using service design process model tools, is to get understanding of the needs and desires of the service user as much as possible to get a holistic understanding, as Ojasalo et al. (2014) suggested in chapter 1.2. It is also needs to cover systematic, analytical and critical aspects (Ojasalo et al. 2014).

Few words about design processes in general. In the figure 6 belowe is visualized an outline structure of a design process by Damien Newman (Stickdorn et al. 2010, 125). The author chose this figure 6, because she thinks it describes the best a design process with just one glance. Stickdorn et al. (2010, 125) explains “Although design processes are in reality nonlinear, it is possible to articulate an outline structure. It is important to understand that this structure is iterative in its approach”, as can be seen in Newman’s “the suiggle” (figure 5).

Typically a design process starts with understanding and observing and trying to get a crib of the idea that is in a persons mind. Slowly the “big mess” starts to solve out (usually by using some service design methods) and in the end the idea is clear and the process is ready to be delivered. “The suiggle” describes well visually this process.

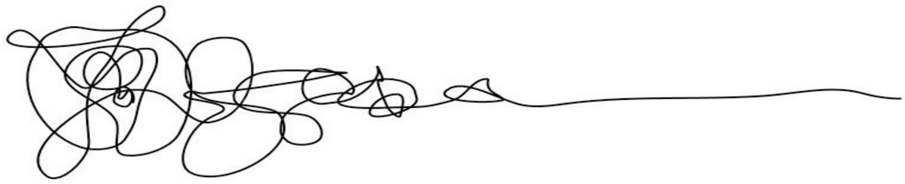

Figure 6: “The Suiggle” by Damien Newman, Central Inc. (Stickdorn et al. 2010, 125)

For this research The Design Council’s (2005) Double Diamond service design process model (2005) was chosen, which will be explained in detail in the next chapters. But to get the idea, it consists of four phases: discover, define, develop and deliver. The Double Diamond model is visualized as two diamonds next to each other which makes it is easy to remember.

In the following chapters the double diamond model and the different service design methods, that were used during this research process, will be introduced. Concerning each method there will be explained: which method was chosen, why the particular method was chosen, how the method was used and what were the results.

## 4.3 The Double Diamond service design process model

The Double Diamond service design process model was used in this thesis. The Double Diamond as described by the British Design Council is easy to remember, because of its visual layout (two diamonds next to each other, see figure 7) that covers the main phases of a service design process. The four main phases are: discover, define, develop and deliver.

In this thesis, the Double Diamond model is used for improving an existing service but it is also possible to use it for a totally new service. In both cases the steps are the same. Using service design tools and methods during the different phases helps to understand the behaviour and needs of the users or actors as they are called in this development project.

The shape of the Double Diamond model as seen in the figure 7, is two diamonds next to each others. According to the British Design Council, the shape illustrates the points where thinking and possibilities are as broad as possible to situations where they are deliberately narrowed down and focused on distinct objectives.

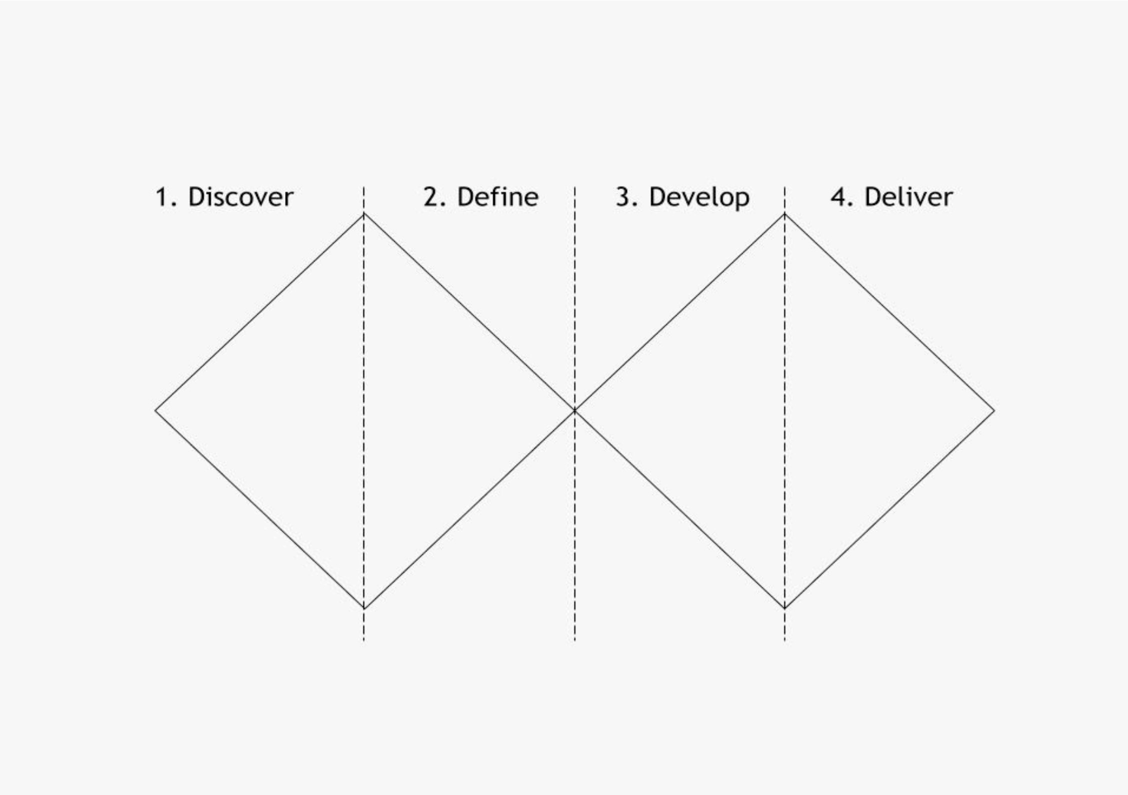


Figure 7: The Double Diamond service design process model (the British Design Council)

The idea, when using the Double Diamond model is to start by describing and identifying the problem or a need and discovering everything related to it. At this phase, the aim is to broaden the perspective of the current situation (Stickdorn et al. 2010, 127-128). According to the British Design Council the second phase is about defining the problem to be solved, trying to make sense of all the information identified in the discovery phase. In the third phase (develop) the solutions are created, prototyped, tested and iterated. And in the final phase, deliver, the service is finalised and launched. In this thesis only the three first phases; discover, define and develop were covered. The delivery part is left out, but the thesis information is given to the case company for consideration.

### 4.4 Applying the double diamond service design process model phase by phase in the development project

In the following chapters, different service design methods will be introduced as the process proceeds phase by phase as Double Diamond model suggests. This development project does not include the final delivery phase, but some suggestions can be read from chapter 5.

The discovery phase includes finding out the points of improvement and how these points of improvements were discovered. What is the underlying problem or a need in multi-actor business. The author used secondary data, her own experience, observing and contextual interviews for discovering the problems. These are introduced in the next chapters.

The defining phase includes analyzing the findings of the discovery phase, synthesizing the findings into a reduced number of opportunities and creating a clear brief that frames the design challenge (the british design council). The author of this thesis organized a co-creation workshop for different actors working for the case company of this development project. The main aim of the co-creation workshop was to gather different actors together and let them find understanding between each other. In the co-creation workshop the participants got to use service blueprint and brainwriting as service design methods for developing new ideas and understanding the existing problems.  The define phase included also some development ideas.

### 4.4.1 Secondary data

The author started her discovery phase of the case study by searching earlier researches on the topic or related to it. Secondary data means data, that has been collected by someone else than the user. Secondary data helps to understand the holistic view, where the problem lies and other issues close to it. It also helps to define the problem and focus on the relevant areas of it (Viinamäki & Saari 2007, 107).

As already written in the introduction, according to Pentikäinen (2014, 22) the changing situation of employment in Finland has been noticed by the Finnish Ministry of Employment and the Economy as they have commisioned a report of the future employment in Finland during autumn 2014. The report is a comprehensive overview of the future challenges of working life in Finland. It has been compiled by several different professional facets such as Research Institute of the Finnish Economy (ETLA), Labour Institute for Economic Research (Palkansaajien tutkimuslaitos), Aalto University, the Finnish Funding Agency for Technology and Innovation (Tekes), Owal Group Oy and few others, which makes the report reliable. The report verifies that private entrepreneurs, freelancers and elancers (Internet freelancers) are becoming more common and that in the near future this trend will revolutionalize the whole labor market. The changes can be seen at workplaces in the way of how work is organized. The report also states that the entire shift of the way of working should be made more easier and agile concerning taxation, regulations and byrocrazy. New operational models are needed and adapting changes quickly and iteratively are the corner stones for successful structural changes in the future (Pentikäinen 2014, 22).

Also Pärnänen & Sutela from Statistics Finland (2014) and Europe 2020 strategy (2016) have recognized the increase of self-employed people and the potential that lies behind it. Why is the amount of entrepreneurs increasing? Well, Pärnänen & Sutela (2014) have listed three main reasons why there has been an increase in self-employed group of people: 1. involuntary entrepreneurship (the only way to work is entrepreneurship but the person would rather work as a full-time worker), 2. outsourced as an entrepreneur (the person's workplace has been replaced by the work bought from an entrepreneur) and 3. ostensible entrepreneur (the person works and is thought as a normal employee but has an entrepreneur contract with the company she is working for). In addition, Kilpi (2016) claims that we are now facing a new entrepreneurial experience of work as was explained in the chapter 2.2.1. All these reasons sounded familiar to the author, so she kept on discovering the topic.

#### 4.4.2 Own experience

In this thesis the author used her own experience as one of the discovery phase methods. The author has been working as a freelancer (self-employed entrepreneur) since June 2014. A marketing and communications company based in Helsinki, Finland suggested her to start her own private company to become cabable to work for them. Without any experience of being an entrepreneur she started her own private company. Gladly she had some entrepreneur friends who told her to apply a starting fee (starttiraha) and suggested her a good accountant.

Hindsight, she was a bit surprised, that the company who asked her to start her own company, did not support her in the beginning of her entrepreneurship. They could have provided information on entrepreneurship, which could have helped her in the start. The author feels that the information, would have given her a feeling that they really care and want to support her and that they respect the risk, that she took by becoming a self-employed entrepreneur, freelancer, for their request. By doing so, the company would have gained even more engaged freelancer for them. The author was not alone with her thoughts and after a while, after several conversations with other freelancers, she noticed that things could be improved to get better results for both freelancers and other actors working in the multi-actor business.

In Finland TE Services provide support for new entrepreneurs and they even organize training, where they provide information for those planning to start a business. Suitable training is also provided by the ELY Centres and many educational institutions (TE Services). The author had taken few basic entrepreneur courses during her studies at the Univeristy of Applied Sciences and at the time, she did not feel necessary to participate additional ones. Afterwards thinking, it could have been useful also to join the trainings the TE Services offered.

Own experience as a service design method is part of the ethnographic research. Ethnographic research means going to the field and experiencing the matter that is being researched. Also analysing own emotions and experiences is a good way to get insights of the research. (Viinamäki & al. 2007, 103.) It should be kept in mind, that own experience is still just the persons own experience or opinion about the matter, that is being experienced, in other words it is one perspective of the situation and gives only one persons point of view through her own experiences, interests and knowledge/skills (Miettinen 2011, 80).

#### 4.4.3 Participant observation

Participant observing was the third method the auhtor used in the discovery phase. Observing means looking at what customers (actors) do and when they do it. It is about gathering information about real user needs and getting understanding and empathy about other people's experiences (Design Council 2016, 15). Taking notes and trying not to influence the choice of the observed (Klaar 2014, 56). Observing is thought as the second popular data collecting method when it comes to qualitative research (Tuomi & Sarajärvi 2002, 83). What? Where? How? And when? These questions concerning observing will be answered in this chapter.

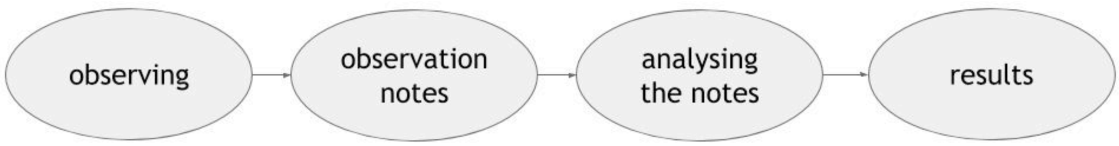


Figure 8: Observation path

For the observation part of this research, the author chose the participant observation method from several different observing methods. It was the only natural method for her to choose since she is also a freelancer working in the same context as the actors she chose to observe, which is also the definition for participant method. The observations took place at the case company's office and lasted few months in 2015. The author did not tell the observed persons that she was observing them, because she felt that they might change their behaviour if they knew about it. During these months the author made notes and tried to identify barriers and opportunities concerning cooperation between the freelancers and other actors while observing. The observation “path”, how the used method proceeded, can be seen in the figure 8.

Ojasalo, Moilanen and Ritalahti (2014, 114) recommend to use observing in addition to interviews to get a wider picture of the situation being developed. In this research the author used also contextual interviewing to discover that her research topic was up to date and to get further validation on it. By observing she gained more proof of the prevalent situation.

#### 4.4.4 Contextual interviews

User research is essential in todays business world. Competition has gotten harder and the customer details are more valuable. Interviewing is one way of doing qualitative research and diving deep into customer’s lives. Ojasalo, Moilanen and Ritalahti (2014, 106) emphasise interviewing as a research method especially when the topic is delicate, rather new and/or there might be found new perspectives on it. Interviewing is also a great way to gather data quite quickly and profoundly eventhough going through the answers is time consuming. In this thesis the author chose contextual interviewing to validate her research on the topic based on her observation results. This chapter describes how the interviews were done, documented and how long did they last. Also the author will explain who were the interviewees and how they were chosen as well as some background information of interviewing as a service design method.

The advantage of interviewing is flexibility when comparing for example to questionnaire. When interviewing a person it is possible to repeat the questions, make corrections, clarify expressions and have a conversation with the interviewee which makes it more natural. (Tuomi & al. 2002, 75). Portigal (2013) and Mariampolski (2006) have both written books on how to get comprehensive knowledge of what should be taken into consideration when interviewing, how the results/data should be collected and in the end analyzed. There are several tactics to follow when doing interviews, but the best way is to find out your own way as the author of this thesis did. When preparing to a field research it should be kept in mind that well planned is half done. Writing down the objective, the goals of the research and making an interview document that details what will happen in the interview, helps the interviewer to stay focused on the topic. It is good to remember that the plan is always just an assumption, what the participants might answer. The interviewer has to be able to adjust the interview questions and situation when needed as they might be different in theory and in practice.

As Portigal suggestes (2013, 36), the author identified the key characteristics of a self-employed entrepreneur working in a multi-actor business (in marketing field) and chose the interviewees based on her identifications. For this research, four face-to-face contextual interviews were held, to get more validation on the subject. The interviewees were freelancers working for the case company and for other multi-actor companies. Contextual interviews were held in the operational environment, in which the interview topic applies to which was the case companys office (Ojasalo, et al. 2014, 106). The author chose this interview method, because she wanted to get as holistic as possible picture of the current work situation of the freelancers, that she interviewed.

Figure 9: Sound recorder and a coffee cup

All interviews were recorded (see figure 9) by using a sound recorder and also written notes were taken by the interviewer, the author of this thesis. Afterwards the author transliterated the interviews to an excel sheet for further analysis. Each interview took between 30 to 90 minutes and they all were conducted in Finnish since all interviewees were Finnish. All questions were open ended questions and the interviews were half structured, which means that the author had a plan and some questions already in mind/ written down before the interview.

Half structured interview questions were:

- Please tell me about your background, how did you become a freelancer?
- What are your current feelings about being a freelancer?
- How do you see the future concerning you as a freelancer?
- What are the best and the worse things about being a freelancer?

- What are the three most important features/criterias of a customer company to you?
- Do you think there could be some things to improve in the multi-actor business where you are working?
- What are your mprovement ideas?

The interviews gave the author new insights and validation, that there is a need for further improvement, when it comes to using freelancers in multi-actor business. The data was compiled from the interviews and the results were analyzed by the author from the excel sheet by trying to find patterns. Going thru the gathered material as soon as possible is advisable while the impressions are still fresh. Breaking the larger pieces into smaller ones and starting to create new ways of looking the results might reveal something interesting. What do the notes, the recordings, the participant's body language and/or the presence of the participant reveal? Are there nonverbal signs that open new doors to something essential? Interpreting the data needs to go beyond the findings, to actually reveal the main points of the results. This is also how the author went thru the interview results.


Figure 10: The most used terms during the interviews

In the figure 10 are mapped the most consumed terms during the contextual interviews the author held. The bigger a term is written in the figure 10 the more it was consumed by the interviewees and the smaller it is the less it was consumed. Some of the terms created positive vibes for the interviewees and some negative. There were also some terms that were seen both in positive and negative way. As seen in the figure 10 freedom is the most valuable thing for the interviewed freelancers. In the table 2 below the insight statements are discussed in detail.

| **Word** | **Notes** |
|---|---|
| Freedom | Freedom was mentioned by all of the interviewees. They all said it is the best thing about being a freelancer. By freedom they meant that they can choose to whom they are working, where they are working and when they are working, of course respecting their customers schedules and project boundaries. No stalking behind your back but trusting that things will be done as spoken. |
| Uncertainty, risky | Uncertainty is how all the interviewees felt about the work situation. They all were doing at the time of the interviews only short projects for one to three big companies without knowing about the next ones. Risky business they pointed out. |
| Procedures, familiarity | Well organized and effective working procedures save time and it is easier to start a new project if the procedures are familiar and clear to all working in the same project. Procedures were seen as a good thing, if they were well planned. Meaning if there would be two familiar companies offering a work project for a freelancer she would choose the one with better procedures. |
| Communication | Very important! Open communication was thought as very important part of working, especially when there are different actors working together and they are not all siting in the same office. Lack of communication was unfortunately experienced by all of the interviewees. |
| Contracts | Contracts were seen both positive and negative. Without a contract there is freedom both ways. Still three out of four were hoping to have a contract where it would be stated that they would have a minimum amount of hours per month guaranteed. Two of four said that they could not see themselves as full-time workers anymore. One said she would like to be full-time worker and one did not know what she preffers, but she said she felt as an outlaw person as a freelancer. |
| People, networks, community | People, networks and community were seen as very important part of freelancers' work. Companies where the working atmosphere was good and where the freelancers felt they were part of the working community were the most popular ones. Networks |

| | |
|---|---|
| | are something all freelancers need to be able to work as a free-lancer. Most of the freelancing jobs are reach by word of mouth recommendations. |
| Mobility | Very positively used word. Freelancers can choose the place where they are working from, of course again respecting the projects boundaries. |
| Respect, schedules, provisions | All of the freelancers said that if they felt appreciated and respected they wanted to work more for the company they were working for. Some of the freelancers were hoping to be able to get provisions (as sales people do) if they for instance brought a new customer for the company they were working for. |

Table 2: Insight statements from the interviews

The interviews confirmed partly the same information that Pärnänen & Sutela (2014, 124-127), Pentikäinen (2014) and Kilpi (2016) found out with their researches concerning freedom, uncertainty, contracts and the fact that most of the self-employed people work only for one to three different customers/companies which makes it a bit risky since the contracts are missing. Two of the interviewees were involuntary entrepreneurs and two were outsourced as entrepreneurs. It seems, that there could be use for Gummesson's (2004) ROR theory the companies, as the freelancers feel uncertainty, when they should not if the same companies are employing them month after month.

#### 4.4.5 Co-creation workshop for different actors

According to Stickdorn et al. (2010: 198), "co-creation is a core aspect of the service design philosophy." It can involve anyone who is somehow involved to the service in order to examine and innovate a given service experience (Stickdorn et al. 2010, 198). Fuad-Luke (2009, 147) explains that co-creation offers an opportunity for multi-actors to collaboratively define the context and problem, and in doing so; improve the chances of a design outcome being effective. Usually, the reasons for co-creation are: improving the cooperation and finding a common language, developing creative thinking and user driven attitude, getting new perspectives, getting more information and understanding of a certain target group, and creating new business networks and cooperation networks (Miettinen 2011, 81).

A co-creation workshop was organized on Tuesday 20th October 2015 at the case company's (marketing and communications company) office in Helsinki. The participants consisted of the case company's partners, full-time workers, part-time workers and freelancers/ entrepreneurs, who are called as specialists inside the case company. Eight (8) persons participated the workshop, that lasted two (2) hours (plus one participant participated via skype). In the beginning, the author of this thesis (ML), who acted as the facilitator of the workshop, told the reasons for the workshop (the objective), why the chosen participants had been invited to the workshop and the goals of the workshop, as Miettinen (2011, 81) suggests. The participants had been invited to the workshop with email invitations, where they were asked to think about the differencies between working as a company partner, full-time worker, part-time worker or as a freelancer/ entrepreneur in the multi-actor business. They were also asked to think about the different roles from different perspectives: communication, scheduling, motivation, engagement, money, equality and social networks, just to wake them up concerning the subject.

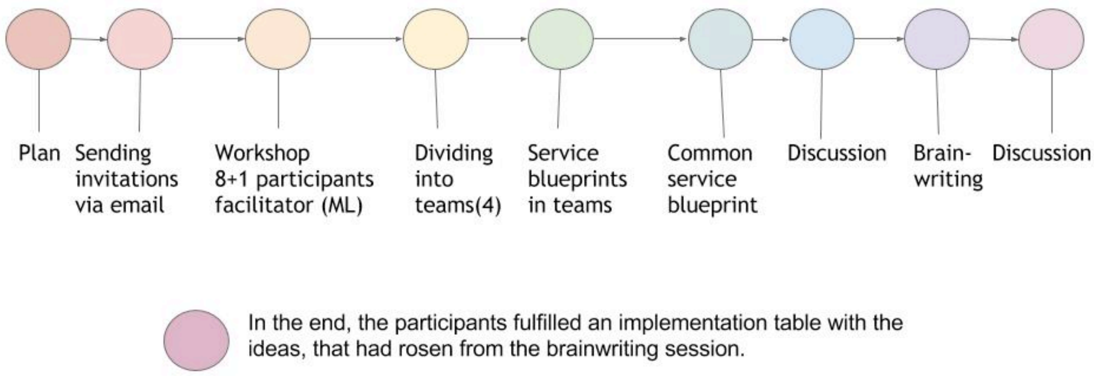


Figure 11: The co-creation workshop content

The aim of the workshop was to create better understanding between the different actors and to improve the cooperation of working in a multi-actor business as they all were. The figure 11 illustrates the content of the co-creation workshop in a chronological order.

In the workshop the participants created a service blueprint (will be explained in detail in chapter 4.5.2.) of the current service path and after, the main points of the blueprint were discussed.

Since most of the participants knew each other and felt quite comfortable in the group there was no need for a long icebreaker moment. Instead, all of the nine participants introduced themselves by telling their first names, their roles as an actor in the multi-actor business and how long they had been in that certain role in the case company.

The goals/ aims of the workshop were:

- Improving the co-operation of the different actors and finding a common language
- Finding new perspectives and seeing the different actors in wider perspective
- Gaining better understanding between the different actors

After the introduction part, the group was divided by the facilitator into two teams and the teams were asked to fullfill service blueprint (the service blueprint will be explained in detail in chapter 4.5.2.) of the service process they are all working in (see figure 12). According to Stickdorn (2010, 204-205) service blueprint is a great tool for developing a service and notice all individual aspects of a service, this is also why service blueprint was one of the chosen methods here. Both of the teams consisted of different actors to achieve a wider perspective of the process.

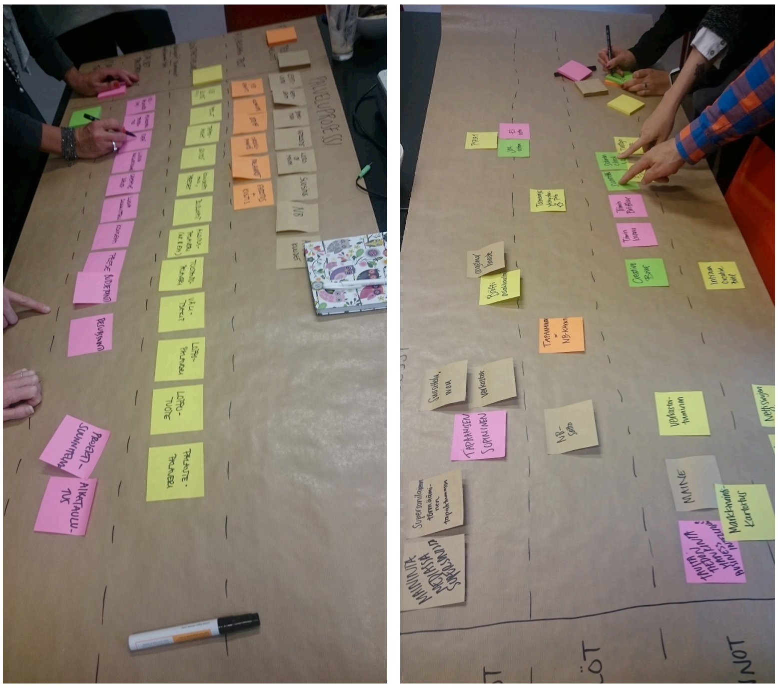

Figure 12: Working with the service blueprints in the co-creation workshop.

After working for an half an hour with the service blueprints the teams switched to see what the other team had done. Both teams had the same vision of how the process goes, some small differences were noticed but nothing too big. After seeing the other teams service blueprint the teams were asked to combine the two service blueprints into one common version.

After the participants had finished with the common blueprint, the facilitator started a group discusson. The group discussion was started by analysing the common service blueprint. By looking at the service blueprint the participants realised how much work is done on the backstage and support processes of the service process. From the discussion rose some questions: Is the process effective enough? Have we done the right investments or not? One of the participants pointed out "in any case wether the company benefits or not everything should always be seen as an investment to the future and investment in learning something new", well stated.

The discusson part was done to get understanding for each actors point of views. Here are some questions that were discussed concerning scheduling: What if a project's schedule changes? Does the new schedule fit to all project actors? How the new schedule affects to each of the actors involved in it? What if the freelancer/entrepreneur looses some other projects because of the schedule change? Could this kind of situations be predicted somehow? How to take into account everybodys schedules? What does it mean to each different actor? How does it affect to the projects budget? Does the customer understand that exceeding the schedule means more costs? Etc.

The co-creation workshop ended to a brainwriting session (brainwriting will be explained in detail in chapter 4.4.7). All the participants were asked to write down one to three improvement ideas that rose from the group discussion. After brainwriting, the ideas were read aloud and mapped together to an implementation table which can be seen in the end of chapter 4.4.7. where also the table is explained.

The co-creation workshop was definetly worth the time it took. The workshop also strengthened the authors thought of S-D logic and its axioms and foundational premises. The visual service blueprint helped to understand the holistic picture of the whole service process and different actors roles in it.

### 4.4.6 Service blueprint

Service blueprint was chosen from the service design methods to give a wide picture and understanding of the service process that all the co-creation workshop participants were working with. This technique, service blueprint, was introduced more than 30 years ago by Lynn Shostack in the Harvard Business Review (1984) and since then it has evolved quite a bit. It is a visual and interactive service design method. According to Stickdorn et al. (2010, 204-205) service blueprint is a great tool for developing a service and notice all individual aspects of a service. Bitner et al. (2008, 93) adds that service blueprint is focusing on the customer as the center and foundation for innovation, service improvement and experience design, meaning that value to the customer is the central purpose of innovation.

Service blueprint illustrate in detail critical service elements/components, both actions and events, that occur either visibly or invisibly, see figure 13 (Miettinen et al. 2011, 17). The idea is, that the group that fills in the service blueprint marks all the actions and events (also called as touch points) to it to the right levels/boxes in chronological order. The elements of a traditional service blueprint are seen in the figure 13 below.

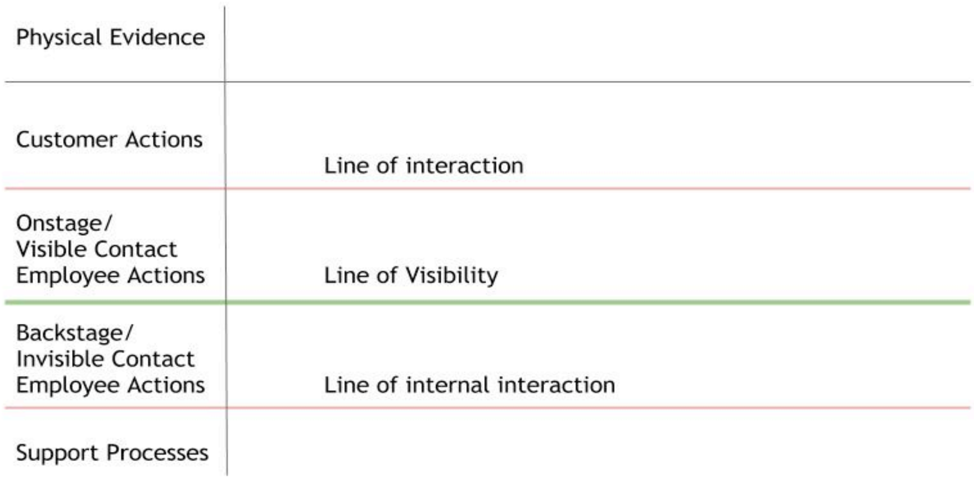


Figure 13: Service Blueprint elements/components (Bitner et al. 2008, 73)

To understand the figure 13 let's go through all of the service blueprint elements. According to Bitner et al. (2008, 72-73) physical evidence describes every customer action. These physical evidences are all tangibles, that customers are exposed to that can influence their quality perceptions for example an email or a phone call. Customer actions include all of the steps that customers take as part of the service delivery process for example signing to an event or participating a discussion In the event, Bitner (2008, 72-73) explains. The line of interaction separates the onstage/visible contact employee actions from the customer actions. The onstage/visible contact employee actions take place as part of face-to-face encounter for example welcoming guests to an event or facilitating a workshop. These are always actions of frontline employees. Every time the line of interaction is crossed a “moment of truth” happens, which means the moment, when a service provider and the service customer confront one another. Bitner et al. continue (2008, 72-73) “backstage/invisible contact employee actions are separated from the onstage by the line of visibility.” With backstage actions are meant everything that happens in interaction with customer non-visibly for example telephone calls and emails. The line of internal interaction separates backstage actions from the last element of service blueprint which is support processes. These support processes are all activities that need to happen in order for the service to be delivered without being in contact with the customer for example planning a workshop (Bitner et al. 2008, 72-73).

Service blueprint is often done collaboratively within the whole organization as different departments or actors might have their own point of view on the service delivery. It is suggested to produce a blueprint draft form at the start of the service design project and generate a more detailed one at the implementation stage (Stickdorn et al. 2010, 204-205).

As already mentioned in the previous chapter, in the co-creation workshop the group was divided into two teams and both  teams were asked to produce a service blueprint of their own, after explaining the idea of service blueprint. The participants were all excited and quite quickly they found a common way of working. After compleating the blueprints the teams were asked to switch to see what the other team had been working on. In the end of the service blueprint phase and after seeing the other teams service blueprints the teams were asked to combine the two service blueprints into one (see figure 14). This service blueprint in the figure 14 was the common one of the co-creation workshop.

“Continually refocusing the blueprint around inevitable changes in people’s lifestyle and motivations refines and improves companies’ research activities, whilst reinforcing the need for the service provider to remain agile enough to respond to an evolving environment” (Stickdorn et al. 2010, 204.) Bitner et al. (2008, 81) also suggests to use service blueprint as an ongoing development process or making a final version of it and updating it as time goes by and the service develops. The company should decide itself what is the main purpose of the service blueprint, is it used for training or maybe to gain important insights.

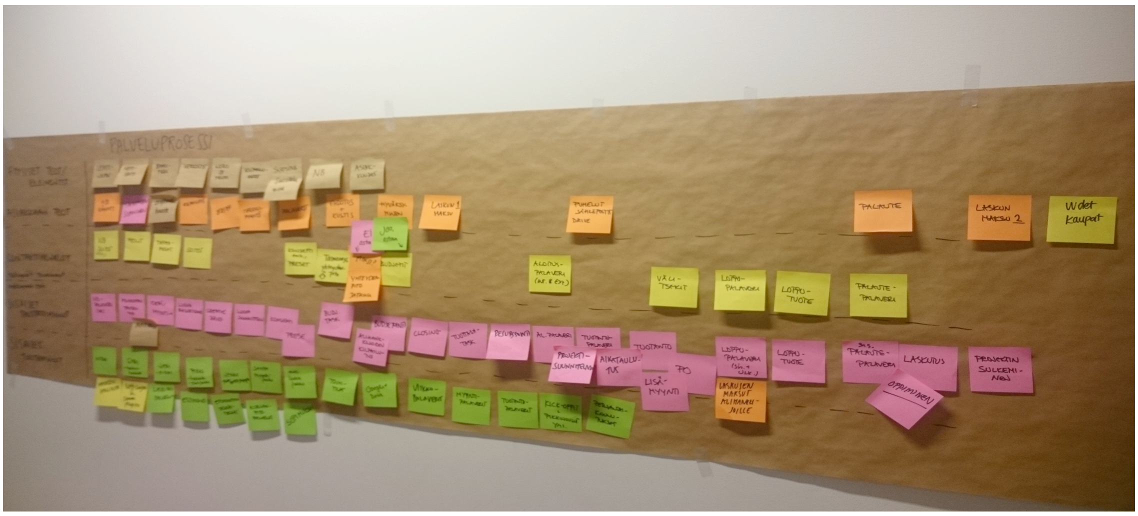

Figure 14: The two group’s common service blueprint made in the co-creation workshop.

Working with the service blueprint was praised for its visualilty and that everyone in the workshop participated and felt their participation important. Also participants were supprised to notice how much is going on on the lower levels, backstage and support processes. As well they were a bit concerned how much work and effort is done by the case company before an actual sales closure. It felt that this was a moment where the freelancers were especially grateful for the case company. Without the case company the freelancers and other subcontractors should do all the sales (offers, ideation, contacting customers, etc.) by themselves and that is something no one pays for unless the person gets the deal.

### 4.4.7 Brainwriting

After the group had gone through the service blueprint and discussed about the service process, its pain points and what could be improved, the participants were asked to write down their improvement ideas concerning the service. At this point a method called brainwriting was used.

Brainwriting is a one type of idea generation. It is a bit more structured than normal brainstorming. Stickdorn et al. (2010, 180) explains, that the aim of all ideation techniques is to inspire and stimulate discussion among the group. The idea of brainwriting is that all participants write down their improvement ideas to piece of papers and then give the papers to the facilitator. After collecting all the papers the facilitator hands out again the papers in random order to the participants. The participants then read silently the idea written on the paper and specify or add something by writing related to the idea already written on the paper. This is also how brainwriting was carried out in the workshop that was held concerning this development project, as can be seen from the figure 15.

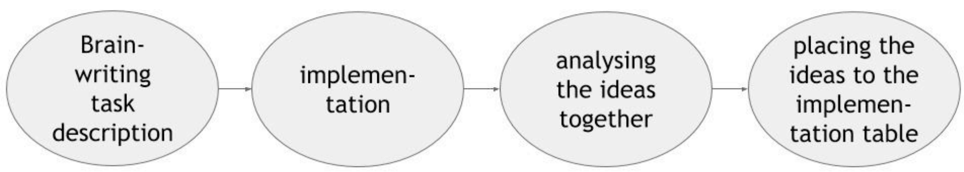


Figure 15: Brainwriting progression

According to Paulus (2000, 78) “writing ideas instead of speaking them in groups eliminates the problem of production blocking since individuals do not have to wait their turn to generate ideas”, see figure 16. Also written format of brainstorming is more anonymous and time saving than speaking aloud, which might be as well a slight problem for some people. During this co-creation workshop brainwriting was clearly a good method since there were different actors working for the case company and new ideas rose from the papers. Some of the actors did not have the courage to say their written ideas aloud, but they had the courage to write them down anonymously.


Figure 16: Brainwriting posts

In the end of the co-creation workshop the author who was acting as a facilitator collected all the written papers and read them aloud (see figure 16). All the ideas/suggestions were placed together by the participants to an implementation table (see table 3 below). The ideas were placed to certain point of the table 3, whether the idea was easy or hard and fast or slow to implement. For some of the participants this caused a slight argumentation concerning where to  place the ideas, but in the end they found a concensus.

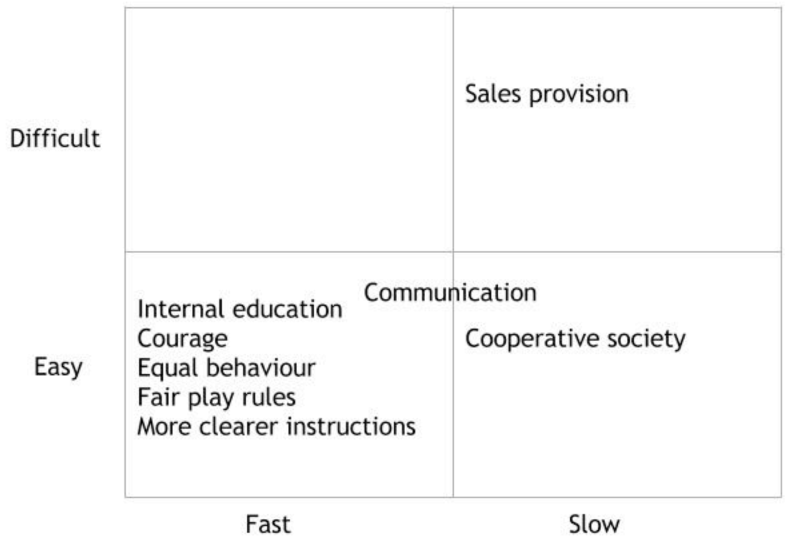


Table 3: The ability to implement the ideas/suggestions generated from the co-creation workshop whether they are fast and easy, fast and difficult, slow and easy, or slow and difficult.

The workshop ended to an intresting discussion which the participants could have continued till the late evening. Most of them told that they had not thought of the service process in a big picture before but only viewed things from their own side. The workshop opened their eyes and they were willing to make some changes in the future. The fast and easy ideas that rose from the workshop were taken into concideration straight away after the workshop and discussed how they could be implemented better. All in all the co-creation workshop was a success and the chosen methods (service blueprint, brainwriting and discussion) were suitable for this kind of development project. The whole workshop could have been a bit longer but the group managed to get to the finishing line in this time as well.

# 5 Outcomes of the development project

The research has come to an end and it is time to see how it all went. What were the most essential findings and what did the service design methods chosen for this development project reveal? Is this research reliable and valid? Is there something missing or should there be something more done? This chapter will answer all these questions.

By following the steps of this thesis author and using the same procedures in the same order as the author, a later investigator will find most likely the same findings and conclusions as the author herself. This is what makes this thesis reliable and valid. (Yin 2014, 45.) This thesis contains theoretical and empirical analysis as Tuomi and Sarajärvi (2002, 18-22) recommends a qualitative research to include. The table 4 below shows the main outcomes of the research which will be explained in more detail in the text further on.

The report of the future employment in Finland commissioned by the Finnish Ministry of Employment and Economy (2014) and the report written by Pärnänen & Sutela (2014) from the Statistics Finland gives the best secondary data insights for this research at the moment. The authors own experience and observation played also a big role in understanding the whole situation of working as a freelancer in a multi-actor business.

| **SERVICE DESIGN METHOD** | **MAIN OUTCOME** |
|---|---|
| Secondary data | The topic is actual. Little research on the topic has been done earlier. There is space for a development. |
| Own experience | There ia a gap in the communication between the different actors in multi-actor business. |
| Observing | The author is not the only one who believes that there is a space for improving the cooperation. |
| Contextual Interviews | There are several things to improve. Understanding the positive and negative points of being a freelancer. The interviews gave valuable data of the actual situation. |
| Co-creation workshop | The workshop gave the different actors a holistic view of the service process. The actors gained understanding and were willing to make changes for better. |
| Service blueprint | The service blueprint opened the eyes of the different actors, actor gained new perspectives and understanding. |
| Brainwriting | The actors started a discussion on how to improve the coopration in the near future. The implementation tables (table x) fast and easy ideas were  taken into action. |

Table 4: Outcomes from different service design methods

The data compiled from the interviews was probably the most valuable data. The interviews pointed out the main pain points and positive sides of the cooperation between different actors in multi-actor business from freelancers' perspective. All the interviewees mentioned **freedom** as the best side of being an entrepreneur and also **mobility** was mentioned by most of the interviewees in a positive way. **Lack of communication** and **uncertainty** of work were the biggest pain points discussed. Seems that there are differences how companies treat freelancers working for them and this causes negativity and **feeling of inequality**. By understanding Gummesson's definition ROR and what it is for, as well as considering all employees including freelancers as FTMs or PTMs could bring some improvement to how freelancers feel and reduce the feeling of inequality. **Openness** and **transparency** are quite often the best ways to treat people since people are talking anyways to eachother. Some of the interviewees saw the **lack of contratcs** both in positive (freedom) and in negative (uncertainty) way. One of them even said that it feels like being in a stand by position where the other party just makes the rules and you are like a marionette dancing to the companies tune.

The British Design Council's Double Diamond design processe's discovery phase including secondary data, author's own experience, observation and contextual interviews gave a good fundamental basis to continue to the define phase of the process, which was carried out in collaborative workshop.

The workshop for different actors working in multi-actor business in a marketing and communications company was a success. The main aim of the workshop was to create better understanding between the different actors and to improve the cooperation of working in a multi-actor business as they all were. The feedback from the workshop was only positive and eye opening for the participants. In the workshop the participants co-created a service blueprint of the current service path and after, the main points of the blueprint were discussed.

The most essential findings during the workshop were that the **planning phase** and **scheduling** of a project are the most crucial parts when working in a multi-actor business. The projects need to be **well planned** and **discussed thoroughly** with the workers and customers to avoid misunderstandings that cause unexpected costs. **Communication** and **equality** were the two most popular development areas that rose from the discussions, also the importance of community was discussed especially by the freelancers and entrepreneurs.

The workshop participants hoped for **more specific messaging** and **improvement in communications** to avoid misunderstandings and uncomfortable situations with for example customer companies. Professional **education** and **sharing learnings** were also thought important. Integrity comprehends from details. **Openness, equal behaviour** and **fair play rules** are very important and should be taken seriously. Freelancers felt that they were facing some unequal behaviour by the case company and were lacking of courage to speak out loud. In the end of the workshop the participants listed what they think are the backbones of a successful multi-actor business: trust, openness, equality, solution based thinking and people who WANT to be part of the community, passionate people.

In multi-actor business it is recomendable to evaluate each actors importance to the nodal company using different actors for example with the help of the figure below (Kuisma 2015, 72).

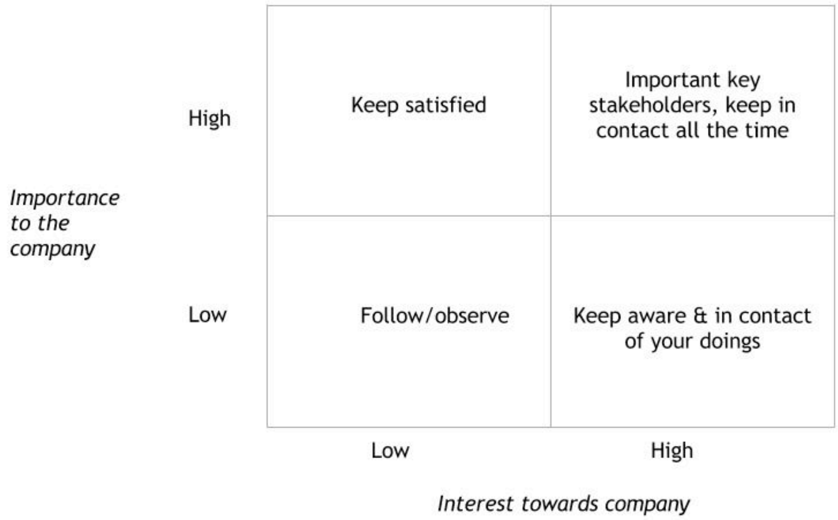


Figure 17: Evaluation table of each actors (stakeholders) importance to the company (Kuisma 2015, 72)

By evaluating actors and setting them to the figure 17 a company is able to find the key stakeholders/cooperators (key partners/ key resources) and keep them satisfyied and aware in important matters. To map out the intrests of the actors towards the company may be gat-thered from the actors for example with a short questionnaire. (Kuisma 2015, 72.) Also Valko-kari et al. (2014) provides great tips on how to develop working in service networks. Her guidebook introduces several different tools to map out the areas where the most develop is needed.

## 6 Conclusions of this thesis

How did the process go? This thesis process has been an interesting journey to the current working situations of freelancers and self-employed entrepreneurs working in multi-actor business in the marketing field in Finland. Occasionally the author found it rather difficult to find reliable and valid written data, because of the ongoing changes in the economy. Many magazines and newspapers have been writing about the changing working life and the new structure of work. The subject of the thesis is clearly a “hot potato” among other future work topics, that people are interested to hear about and discuss more, obviously, because it is something that concerns everyone.

The author succeeded to find a development project, that has not been researched much earlier, or atleast this thesis is among the first researches made about the topic, using service design approach and processes. A research gap was found. This research uses S-D logic and service design in operative level for improving multi-actor business. The results are promising. The companies working in the multi-actor business should have more holistic and systematic approach to their businesses as Lusch & Vargo (2015) explains “all economic and social actors are resource integrators”.

Were the chosen methods right for this process? The Double Diamond model is a simple and easy way to apply service design process. Because of its visual layout, it is easy to remember the four phases it suggests to go through when designing a new service or improving an existing one. It is also systematic, analytical, critical and most of all holistic process as Ojasalo et al. (2014) suggests a research oriented development process to be. The chosen service design methods were valid for this thesis, since points of improvement were found. Of course the research could have been wider to give more specific information, but for this master thesis the research that was done, was enough. There could have been used some additional service design methods like The Service Logic Business Model Canvas (Ojasalo & Ojasalo 2015) in the beginning of the case study co-creation workshop to give a wider understanding of the case company’s business. It would have been also interesting to have more deeper conversations with the interviewees and actually interview several more people, but then again the whole research would have expanded. That can be done by others in the future.

Did everything go as planned? Life is something that you can not predict. The schedule the author made for herself in the beginning did not meet with the final schedule. Often in life there comes situations that makes you prioritize certain things more than others. Also it is important to set boundaries and keep in mind that this is just a master thesis not a Phd research. Keeping the focus while reading and searching all the time new materials to the thesis was challenging. Also the changes in the working life that occurred during the writing made the author question her work. During the writing of this thesis two of the four freelancers that were interviewed started working as full-time employees. One of the interviewees got a monthly contract with the case company and one still continues the same. Also during the writing the author even read an article about first Uber event marketing producer and first Airbnb full-time hostess both working for themselves and using the companies platforms. The work life is definetly in a time of great changes.

Further thoughts? The working life, ways of working and the structure of work is changing all the time. Globalization, rapid technological development (e.g. ICT, 3D printing, etc.) and the constantly growing competition makes the companies face hard times. Employee costs in Finland are high which makes companies consider other possibilities than hiring full-time employees. Change is a challenge and too many see it as a negative matter. Kotter and Rathgeber (2008) have written an excellent book called "Our Iceberg is Melting", which tells about changing and succeeding under any conditions. The book is worth reading and it offers good tips on how to manage the inevitable change. The author believes that in the near future there will be many more multi-actor businesses that are more and more dependent on business networks and self-employed people as Prahalad & Ramaswamy (2004) pointed out already ten years ago.

The author of this thesis believes that the outcomes apply also to other industries multi-actor business besides marketing and communication, but it is up to the reader to make the consideration.

"The trouble with our times is that the future is not what it used to be"
- Paul Valery, a French poet, essayist and philosopher.

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